

**CBOE Holdings, Inc. and Subsidiaries**  
**Regulatory Independence Policy For Regulatory Group Personnel**

**Adopted August 2, 2011**

**Introduction**

This policy applies to all employees of the Regulatory Services Division of Chicago Board Options Exchange, Incorporated (“CBOE”) and any employee of any of the CBOE Companies (as that term is defined below) who is performing services for the Regulatory Services Division, including, when providing such services, CBOE’s General Counsel and enforcement attorneys as well as systems and database personnel who are assigned to work on matters for the Regulatory Services Division. The personnel subject to this policy are referred to collectively as the “Regulatory Group.”

The Regulatory Group is responsible for performing the regulatory function for CBOE, C2 Options Exchange, Incorporated (“C2”), CBOE Stock Exchange (which is a facility of CBOE) (“CBSX”) and CFE Futures Exchange, LLC (“CFE”) and for performing regulatory services for other self-regulatory organizations. CBOE Holdings, Inc. is the parent of CBOE, C2 and CFE; and those entities, along with CBSX and any other CBOE Holdings, Inc. subsidiaries, are referred to collectively in this policy as the “CBOE Companies.”

**Purpose**

The purpose of this policy is to preserve the independence of the Regulatory Group as it performs regulatory functions for CBOE, C2, CBSX and CFE and as it performs regulatory services for other self-regulatory organizations and to avoid even the appearance that the performance of those regulatory functions and services is or can be affected by the business interests of a CBOE Company or the business interests of any trading permit or privilege holder of a CBOE Company.

**The Independence of the Regulatory Group**

All regulatory decisions shall be made without regard to the actual or perceived business interests of the CBOE Companies or any of their trading permit or privilege holders.

Regulatory Group personnel shall act to preserve the independence of the Regulatory Services Division’s regulatory functions and may not take any action that could, or reasonably might appear to represent an attempt to, interfere with the independent performance of the Regulatory Services Division’s regulatory function.

**Communications Regarding Regulatory Matters**

All information concerning a regulatory matter (as that term is defined below) involving the Regulatory Services Division or another regulator shall be treated as confidential and may not be used for any purpose unrelated to the regulatory function of the Regulatory Services Division. In

addition, except as provided below, as required by law, or as specifically authorized by the Regulatory Services Division's Chief Regulatory Officer or CBOE's General Counsel, Regulatory Group personnel shall not communicate about any regulatory matter with any person who is not a member of the Regulatory Group.

Regulatory matters include regulatory investigations, examinations, inquiries or complaints either from or about a regulated entity or person concerning existing or anticipated regulatory actions, investigative and surveillance activities of the Regulatory Services Division, and the planning and development of examination programs and surveillance procedures. Regulatory matters also include any regulatory investigation, examination, inquiry or complaint that is being investigated or brought by the SEC or by any other regulator. Regulatory matters do not include regulatory inquiries about CBOE or its employees or representatives or activities related to potential legislation, rule-making or general regulatory policies that do not include specific facts about existing or anticipated regulatory investigations, examinations or actions.

As exceptions to the restriction on communications concerning regulatory matters, Regulatory Group personnel may discuss regulatory matters with:

- Personnel of a CBOE Company or committee in order to obtain information reasonably necessary to perform the Regulatory Group's regulatory activities;
- Personnel of a CBOE Company to the extent necessary to allow a CBOE Company to assess whether its operations, procedures or systems should be altered to address an issue arising out of a regulatory matter;
- Other regulators or governmental agencies;
- Regulated entities or persons, provided such communication is reasonably related to either a determination as to whether a regulatory violation has occurred, the resolution of a regulatory matter, or an effort to obtain regulatory compliance;
- Employees and directors of a CBOE Company, provided such communication is limited to conveying the final disposition of a regulatory matter;
- Members of the Regulatory Oversight Committees of CBOE, C2 or CFE;
- Members of the Business Conduct Committees of CBOE, C2 and CFE;
- Directors of a CBOE Company to the extent that the communication is (i) relevant to the Board's self-regulatory responsibilities, or (ii) related to an appeal from a regulatory decision that the director is involved in deciding;
- Employees of a CBOE Company to the extent relevant either to determining whether an application to become a trading permit or privilege holder should be approved or to a mandatory reporting obligation;

- CBOE lawyers or outside counsel retained to assist with that regulatory matter;
- Other self-regulatory organizations to which the Regulatory Services Division is providing regulatory services, provided the communication reasonably pertains to a regulatory matter as to which the Regulatory Services Division is providing such services; or
- As otherwise approved by the Regulatory Services Division's Chief Regulatory Officer or CBOE's General Counsel.

In addition, Regulatory Group personnel may discuss issues concerning management, budgeting and financial planning issues of the Regulatory Services Division with directors and employees of the CBOE Companies, provided that those communications do not include specific facts about existing or anticipated regulatory investigations, examinations or actions.

### **Response to Improper Communications**

If a member of the Regulatory Group receives a communication that reasonably could be considered to be a request or a suggestion that business considerations should bear on the handling of a regulatory matter, that person shall immediately report the communication to the Chief Regulatory Officer of the Regulatory Services Division and/or CBOE's General Counsel. The Chief Regulatory Officer and General Counsel shall then jointly determine how to ensure that the improper communication does not improperly affect the regulatory process.

### **Violations of the Policy**

Any violation of this policy shall be subject to appropriate disciplinary action, which may include the termination of employment.