

PLAN FOR THE PURPOSE OF DEVELOPING AND IMPLEMENTING  
PROCEDURES DESIGNED TO FACILITATE  
THE LISTING AND TRADING OF STANDARDIZED OPTIONS  
SUBMITTED PURSUANT TO  
SECTION 11A(a)(3)(B) OF THE SECURITIES EXCHANGE ACT OF 1934

The undersigned national securities exchanges and The Options Clearing Corporation hereby submit to the Securities and Exchange Commission (the "SEC"), the following plan providing for procedures designed to facilitate the listing and trading of standardized option contracts on each of the exchanges. The undersigned seek the approval of the SEC for the plan and hereby request that the SEC issue an order pursuant to Section 11A(a)(3)(B) of the Securities Exchange Act of 1934 and Rule 11Aa3-2 thereunder evidencing such approval.

## **OPTIONS LISTING PROCEDURES PLAN**

### **1. Selection of an Option Class—**

- a) A registered options exchange, that is also a Sponsor of this Plan, which seeks to trade an option on an equity security (the “Selecting Exchange”) must notify The Options Clearing Corporation (“OCC”) of its selection through the submission of a Certificate no earlier than 12:01 a.m. and no later than 11:00 a.m. (Chicago time) on the trading day before the trading day on which the Selecting Exchange wishes to commence trading options on such equity security. (A “trading day” means a day on which the U.S. securities markets are open for business.) Such Certificate shall state that pursuant to Rule 12d1-3 of the Securities Exchange Act of 1934 (“the Act”) the Selecting Exchange certifies that put and call option contracts issued by OCC on the selected underlying security have been approved by the Selecting Exchange for listing and trading. Any Certificate received after 11:00 a.m. (Chicago time) shall be disregarded and have no effect.
- b) For an option class that (1) is not currently trading on another registered options exchange; or (2) has not been previously certified for listing and trading on any registered options exchange:
  - (i) the Selecting Exchange shall provide to OCC at the time it submits its Certificate, the options symbol, initial exercise prices, expiration cycle and the position and exercise limits for the selected option class. The Certificate shall also state the complete name of the underlying security and its CUSIP number. From among all the Certificates received by OCC before 11:00 a.m. (Chicago time) for a specific selected option class, OCC shall determine which Certificate was submitted first. The options symbol, initial exercise prices, the expiration cycle and position and

exercise limits\* for the selected option class shall be as provided in the Certificate that OCC determined to be the first submitted; and

- (ii) By 1:00 p.m. (Chicago time) or as soon as practical thereafter on the trading day it receives a Certificate from a Selecting Exchange, the OCC shall notify the Selecting Exchange(s) of the options symbol, initial exercise prices, expiration cycle and position and exercise limits for the selected option class, and the identity of each Selecting Exchange that has also submitted a Certificate to list and trade the selected option class. A Selecting Exchange may withdraw a previously submitted Certificate by notifying OCC of such withdrawal up until the time OCC has processed its notification to the Selecting Exchange(s). Thereafter, if OCC receives notice from a Selecting Exchange that it is withdrawing its Certificate to list and trade the selected option class, OCC shall notify the other Selecting Exchanges as soon as practical of such withdrawal. A Selecting Exchange that has withdrawn a Certificate to list and trade a selected option class shall maintain, in a readily accessible file, a list specifying the reason for each withdrawal. The Selecting Exchange(s) may begin trading the selected option class on the first trading day after the Certificate(s) have been submitted to the OCC.
- c) For an option class that has been previously certified for listing and trading and is currently trading on at least one registered options exchange, the OCC shall notify any other registered options exchange(s) that currently trades the selected option class and any other registered options exchange(s) that has also submitted a Certificate to trade the selected option class of the identity of each Selecting Exchange. OCC shall provide this notice by 1:00 p.m. (Chicago time) on the day it receives notification from the Selecting Exchange(s). A Selecting Exchange may withdraw a previously submitted Certificate by notifying OCC of such withdrawal up until the time OCC has processed

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\* OCC will compare the position and exercise limits for the selected option class indicated on each Certificate submitted. If there is a discrepancy among any of the position and exercise limits submitted by the Selecting Exchanges, OCC will contact the Selecting Exchanges in order to eliminate any discrepancy. If a discrepancy remains unresolved, OCC will use the higher limits.

its notification to the Selecting Exchange(s). Thereafter, if OCC receives notice from a Selecting Exchange that it is withdrawing its Certificate to list and trade the selected option class, OCC shall notify the other Selecting Exchanges as soon as practical of such withdrawal. A Selecting Exchange that has withdrawn a Certificate to list and trade a selected option class shall maintain, in a readily accessible file, a list specifying the reason for each withdrawal. The Selecting Exchange(s) may begin trading the selected option on the first trading day after the Certificate has been submitted to the OCC.

**2. Petition to Review the Eligibility of a New Option Class—**

- a) Any registered options exchange may petition the OCC to review whether a selected option class was eligible on the date the selected option class was initially certified for listing and trading by a Selecting Exchange(s). The Petition for Review may be submitted at any time after the selected option class has been certified, but not later than 3:00 p.m. (Chicago time) on the day the selected option class begins trading on the Selecting Exchange. The Petition must state which listing guideline(s) or standard(s) the Petitioning Exchange is requesting the OCC to review. OCC shall promptly, but not later than 4:00 p.m. (Chicago time), provide a copy of the Petition to the Selecting Exchange on the day the selected option class begins trading. The Selecting Exchange may continue trading the selected option class until OCC has issued a determination that the selected option is ineligible. The Petitioning Exchange and the Selecting Exchange shall submit written support for their claims of eligibility or ineligibility to the OCC by 3:00 p.m. (Chicago time) on the first trading day after the selected option class begins trading.
- b) At the earliest possible time after receiving these written submissions, OCC will complete its review pursuant to the Petition and will notify all parties to this Plan of its determination regarding the eligibility of the selected option class. OCC will endeavor in good faith to complete its review and notify the parties of its determination no later than 4:00 p.m. (Chicago time) on the second trading day after the selected option class

begins trading. If OCC needs additional time to complete its review pursuant to the Petition, OCC will notify the Petitioning and Selecting Exchanges of the additional time needed, which shall not exceed five trading days from the receipt of the written support from the Petitioning and Selecting Exchanges. If a non-Selecting Exchange determines to submit a Certification for the selected option class that is the subject of a pending Petition, the options symbol, initial exercise prices, the expiration cycle and position and exercise limits established for the selected option class will continue to be used.

- c) If OCC deems a selected option class to be ineligible for trading, the Selecting Exchange(s) shall, beginning on the first trading day after the determination, delist any option series without open interest and allow closing transactions only in any series with open interest. No additional option series can be added and the option class will be delisted when no open interest remains. If an ineligible option class subsequently becomes eligible, any exchange, including the Selecting and Petitioning Exchanges, may submit a Certificate to OCC pursuant to the procedures set forth in Paragraph 1. above.
- d) A selected option class will be deemed eligible by OCC only if it meets the listing standards for underlying securities of the Selecting Exchange that were identified in the Petition for Review as in effect on the date the Selecting Exchange submitted its Certificate to OCC. OCC may employ law firms, accounting firms or other agents in the course of its review of the petition. OCC may perform the review as it, in its sole discretion, deems appropriate to resolve the review within the time limits prescribed above. OCC shall have the right to request additional information as to the eligibility or ineligibility of the selected option class from the Petitioning or Selecting Exchange(s) and to independently verify the information received.
- e) It is expressly understood and agreed that, because OCC is to be the issuer of any selected option class, it may independently decline to issue or clear an option on an

underlying security that is not currently a “covered security” as that term is defined in Section 18(b)(1)(A) of the Securities Act of 1933. OCC may, in its sole discretion, assess against the Petitioning Exchange if the option class is deemed to be eligible or Selecting Exchange if the option class is deemed to be ineligible, the total reasonable cost of any outside services or staff time allocated to reviewing a petition.

3. **Selection of a New Option Series**— A registered options exchange which has begun or seeks to trade additional series of an option class it has previously listed and currently trades (the “Series Selecting Exchange”), shall comply with the following notification provisions and restrictions on adding additional series:

- (a) If the Series Selecting Exchange has begun trading the new series on the same day (“intra-day add-on series”), it shall notify by electronic mail (“e-mail”) OCC within, under normal circumstances, 10 minutes of commencing to trade the series, but in no case any earlier than 8 a.m. (Chicago time). The Series Selecting Exchange simultaneously shall send a copy of this e-mail to each other option exchange also trading the same option class;
- (b) If the Series Selecting Exchange has determined to trade the new series on either the next trading day or a trading day thereafter, it shall notify by e-mail OCC by, under normal circumstances, 4:15 p.m. (Chicago time) of the new option series to be traded. The Series Selecting Exchange simultaneously shall send a copy of this e-mail to each other exchange that trades the same option class; and
- (c) For series involving new expiration months the foregoing procedures shall not apply and the following procedures shall apply instead:
  - (i) **Preliminary Notification**—each exchange will provide by e-mail to OCC by 9:00 a.m. (Chicago time) on the second trading day prior to expiration (usually a Thursday) a preliminary notification of those new expiration month series it intends to trade. The Series Selecting Exchange simultaneously shall send a copy of this e-mail to each other exchange that trades the same option class; and
  - (ii) **Notification**-- For the new expiration month series, each exchange shall provide by e-

mail to OCC by 2:00 p.m. (Chicago time) on or before the trading day prior to the options' expiration the final notification of those new expiration month series it intends to trade. The Series Selecting Exchange simultaneously shall send a copy of this e-mail to each other exchange that trades the same option class.

- (d) In conjunction with the adding of new option series and the melding of LEAP series into near-term series, the Series Selecting Exchange and any other exchange that lists and trades the same option class are authorized to jointly determine, when necessary, the symbol and/or trading codes for the proposed new series.
- (e) With regard to the listing of new January Long-term Equity Anticipation ("LEAP") series on equity option classes, options on Exchange Traded Funds ("ETF"), or options on Trust Issued Receipts ("TIR"), the Series Selecting Exchange and any other exchange that lists and trades the same option class shall not add new LEAP series on that option class:
  - (i) Earlier than September (which is 28 months before the expiration), for an option class on the January expiration cycle;
  - (ii) Earlier than October (which is 27 months before expiration), for an option class on the February expiration cycle; and
  - (iii) Earlier than November (which is 26 months before expiration), for an option class on the March expiration cycle.

Exchanges that list and trade the same equity option class, ETF option class, or TIR option class are authorized to jointly determine and coordinate with OCC on the date of introduction of new LEAP series for that option class consistent with the above paragraph.

- (f) The Series Selecting Exchange shall not list new LEAP series on equity option classes, options on ETFs, or options on TIRs in a new expiration year if the national average daily contract volume, excluding LEAP and FLEX series, for that options class during the preceding three calendar months is less than 1,000 contracts, unless the new LEAP series has an expiration year that has already been listed on another exchange for that option class. The preceding volume threshold does not apply during the first six

months an equity option class, option on an ETF, or option on a TIR is listed on any exchange.

(g) With regard to the listing of new series on equity option classes, options on ETFs, and options on TIRs, the exercise price of each option series listed by a Series Selecting Exchange shall be fixed at a price per share which is reasonably close to the price of the underlying equity security, ETF, or TIR at or about the time the Series Selecting Exchange determines to list such series. Additionally,

(i) **Exercise Price Range Limitations** - Except as provided in subparagraphs (ii) through (iv) below, if the price of the underlying security is less than or equal to \$20, the Series Selecting Exchange shall not list new option series with an exercise price more than 100% above or below the price of the underlying security. However, the foregoing restriction shall not prohibit the listing of at least three exercise prices per expiration month in an option class. If the price of the underlying security is greater than \$20, the Series Selecting Exchange shall not list new option series with an exercise price more than 50% above or below the price of the underlying security.

The price of the underlying security is measured by: (1) for intra-day add-on series and next-day series additions, the daily high and low of all prices reported by all national securities exchanges; (2) for new expiration months, the daily high and low of all prices reported by all national securities exchanges on the day the Series Selecting Exchange determines its preliminary notification of new series; and (3) for option series to be added as a result of pre-market trading, the most recent share price reported by all national securities exchanges between 7:45 a.m. and 8:30 a.m. (Chicago time).

(ii) The series exercise price range limitations contained in subparagraph (i) above do not apply with regard to: (1) the listing of \$1 strike prices in option classes participating in the \$1 Strike Program. Instead, the Series Selecting Exchange shall

be permitted to list \$1 strike prices to the fullest extent as permitted under its rules for the \$1 Strike Program; or (2) the listing of series of Flexible Exchange Options.

- (iii) Each Series Selecting Exchange can designate up to five option classes to which the series exercise price range may be up to 100% above and below the price of the underlying security (which underlying security price shall be determined in accordance with subparagraph (i) above). Such designations shall be made on an annual basis and shall not be removed during the calendar year unless the option class is delisted by the designating exchange, in which case the designating exchange may designate another option class to replace the delisted class. If a designated option class is delisted by the designating exchange but continues to trade on at least one options exchange, the option class shall be subject to the limitations on listing new series set forth in subparagraph (i) above unless designated by another exchange.
- (iv) If a Series Selecting Exchange that has designated five option classes pursuant to subparagraph (iii) above requests that one or more additional option classes be excepted from the limitations on listing new series set forth in subparagraph (i) above, the additional option class(es) shall be so designated upon the unanimous consent of all exchanges that trade the option class(es). Additionally, pursuant to the request of a Series Selecting Exchange, the percentage range for the listing of new series may be increased to more than 100% above and below the price of the underlying security for an option class, by the unanimous consent of all exchanges that trade the designated option class.

Exceptions for an additional class or for an increase of the exercise price range shall apply to all standard expiration months existing at the time of the vote, plus the next standard expiration month to be added, and also to any non-standard expirations that occur prior to the next standard monthly expiration.

- (v) The provisions of this subparagraph (g) shall not permit the listing of series that are otherwise prohibited by the rules of the Series Selecting Exchange or this Plan. To the extent the rules of the Series Selecting Exchange permit the listing of new series that are otherwise prohibited by the provisions of this Plan, the provisions of this Plan shall govern.
- (vi) An exchange can list an options series that is listed by another options exchange, provided that at the time such series was listed it was not prohibited under the provisions of this Plan or the rules of the exchange that initially listed the series.

4. **Adjustments Pursuant to OCC By-Laws**—Article VI, Section 11 of the OCC By-Laws, as approved by the SEC, provides that an adjustment panel of the Securities Committee, comprised of representatives from each registered options exchange trading options on the affected underlying security, shall determine whether to make adjustments to reflect particular events in respect of such underlying security, and the nature and extent of any such adjustment. In connection with such determinations, the options exchanges trading such options class are authorized to determine operational issues attendant to the adjustment made by the adjustment panel.

5. **Notices** - All Certificates shall be submitted to the OCC via telefacsimile and all other notices required under the terms of this Plan shall be deemed to have been duly given if communicated through electronic mail facilities or Website access.

6. **Miscellaneous** -

(a) The Exchanges jointly and severally agree to indemnify OCC, its officers, directors and employees and to hold them harmless from and against any and all loss, damage or expense resulting from any and all action taken under this Plan; and

(b) This Plan supersedes and replaces the Joint Exchange Option Plan approved by the Securities and Exchange Commission in Release No. 34-29698, dated September 17, 1991.

7. **New Plan Sponsors**—The Plan Sponsors agree that any other Eligible Exchange, as

defined in subparagraph (i) below, may become a Plan Sponsor by (a) executing a copy of the Plan; (b) providing each then-current Plan Sponsor with a copy of such executed Plan; and (c) effecting an amendment to the Plan as specified in subparagraph (ii) below:

- (i) Eligible Exchange means a national securities exchange registered with the Securities and Exchange Commission in accordance with Section 6(a) of the Securities Exchange Act of 1934 that (1) has effective rules for the trading of option contracts issued and cleared by OCC approved in accordance with the provisions of the Exchange Act and the rules and regulations thereunder; and (2) is a party to the Plan for Reporting of Consolidated Options Last Sale Reports and Quotation Information (the “OPRA Plan”).
- (ii) To become a Plan Sponsor, an amendment to the Plan may be effected by a new Eligible Exchange executing a copy of the Plan, as then in effect (with the only change being the addition of the new Plan Sponsor’s name in Section 8 below) and submitting such executed Plan to the SEC. Such amendment will be effective when it has been approved by the SEC or otherwise becomes effective pursuant to Section 11A of the Exchange Act and Rule 11Aa3-2.

8. **Loss of Eligibility**—An exchange shall no longer be an Eligible Exchange when it ceases trading OCC issued and cleared option contracts, or, if it has become a Plan Sponsor pursuant to Section 7. above and has not commenced to list and trade OCC issued and cleared option contracts within one year of becoming a Plan Sponsor.

9. **List of Plan Sponsors**—The Sponsors of the Options Listing Procedures Plan are as follows:

- American Stock Exchange LLC (“AMEX”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 86 Trinity Place, New York, New York 10006.
- Boston Stock Exchange, Inc. (“BSE”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 100 Franklin

St., Boston, Massachusetts 02110.

- BOX Options Exchange LLC (“BOX”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 101 Arch Street, Ste. 610, Boston, Massachusetts 02110.
- Chicago Board Options Exchange, Incorporated. (“CBOE”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 400 South LaSalle Street, Chicago, Illinois 60605.
- C2 Options Exchange, Incorporated (“C2”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 400 South LaSalle Street, Chicago, Illinois 60605.
- International Securities Exchange LLC (“ISE”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 60 Broad Street, New York, New York 10004.
- The NASDAQ Stock Market LLC, registered as a national securities exchange under the Exchange Act and having its principal place of business at One Liberty Plaza, 50<sup>th</sup> Floor, New York, New York 10006.
- The Options Clearing Corporation (“OCC”), registered as a clearing agency under the Exchange Act and having its principal place of business at 440 South LaSalle Street, Chicago, Illinois 60605.
- Pacific Exchange, Inc. (“PCX”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 301 Pine Street, San Francisco, California 94104.
- Philadelphia Stock Exchange, Inc. (“PHLX”), registered as a national securities exchange under the Exchange Act and having its principal place of business at 1900 Market Street, Philadelphia, Pennsylvania 19103.

**SIGNATURES**

IN WITNESS WHEREOF, this Plan has been executed as of the eleventh day of January, 2001  
by each Plan Sponsor:

AMERICAN STOCK EXCHANGE LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

CHICAGO BOARD OPTIONS EXCHANGE,  
INCORPORATED

By: \_\_\_\_\_

Title: \_\_\_\_\_

INTERNATIONAL SECURITIES EXCHANGE LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE OPTIONS CLEARING CORPORATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

PACIFIC EXCHANGE, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

PHILADELPHIA STOCK EXCHANGE, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, this Plan has been executed as of the fourth day of February, 2004 by the following Plan Sponsor:

BOSTON STOCK EXCHANGE, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

NASDAQ STOCK MARKET LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, this Plan has been executed as of the ninth day of December 2009  
by the following Plan Sponsor:

BATS EXCHANGE, INCORPORATED

By: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, this Plan has been executed as of the sixth day of October 2010 by the following Plan Sponsor:

C2 OPTIONS EECHANGE, INCORPORATED

By: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, this Plan has been executed as of the 1<sup>st</sup> day of May 2012 by the following Plan Sponsor:

BOX OPTIONS EXCHANGE LLC

By: AJ Falk

Title: President