



Regulatory Circular

RC-2012-09

TO: BOX Participants
FROM: BOX Regulation
SUBJECT: Protection Mechanism on Opening of BOX Market
DATE: May 1, 2012

BOX applies a protection mechanism that delays the opening of trading in the event of unusual quoting activity in a particular series or class of options. The BOX Market Regulation Center ("MRC") has set the parameters of the mechanism as shown below. For a more detailed description of the protection mechanism, please refer to Rule 7070 (Opening the Market) of the BOX Rules.

SERIES LEVEL

| Bucket | Constant (x) | % (P) |
|--|---------------------|--------------|
| ETF | 1.50 | 7.50% |
| High Volatility and Price ¹ | 0.75 | 1.00% |
| Bid/Ask Differentials ² | 0.75 | 1.00% |
| Indexes | 0.75 | 1.00% |
| Others | 1.50 | 7.50% |

¹ The following classes are included within this bucket: Apple Computer (AAPL), Amazon.com Inc (AMZN), CNOOC Limited (CEO), CF Industries (CF), CME Group Inc (CME), Google Inc (GOOG), Grainger WW Inc (GWW), Intuitive Surgical Inc (ISRG), Mastercard Inc (MA), Newmarket Corp (NEU), Priceline.com Inc (PCLN), Precision Castparts Corp (PCP), Panera Bread Company (PNRA), Ralph Lauren Corp (RL). These classes will remain fixed until the next review period.

² Classes specifically referenced in Regulatory Circular RC-2012-08 regarding Bid/Ask Differentials in Certain High Priced Securities are included in this bucket.

CLASS LEVEL

| Bucket | Contracts (z) | Series (y) |
|---------------------------|----------------------|-------------------|
| ETF | 9,999 | 29 |
| High Volatility and Price | 249 | 29 |
| Bid/Ask Differentials | 249 | 29 |
| Indexes | 249 | 29 |
| Others | 1,499 | 44 |

The MRC periodically evaluates and reviews these parameters and, if appropriate, will adjust them and notify Participants accordingly.

This circular is not intended to be a comprehensive description of the rules regarding the opening of the BOX Market. The BOX Trading Rules are available on the BOX website at www.boxexchange.com.

Contacts

Please review the information provided herein. If you have any questions regarding this information, please contact Ken Meaden, Chief Regulatory Officer, at (617) 235-2258.