



400 S. La Salle  
Chicago, IL 60605

Regulatory Circular RG08-75

To: Members, Member Firms and Member Organizations  
From: Trading Operations  
Date: June 27, 2008  
Re: Broad-Based Binary Options on SPX and VIX

On July 1, 2008, CBOE plans to begin trading binary options on the S&P 500 Index (SPX) and the CBOE Volatility Index (VIX).

The CTC DPM, located at Post 4 Station 10, has been allocated the SPX Binary. The Group1 DPM, located at Post 6, Station 9 has been allocated the VIX Binary.

System settings and other details for VIX and SPX Binaries will be as follows:

- Trading will take place on the Hybrid trading platform.
- Initial seat cost will be .001.
- Trades executed electronically will be allocated in Pro-Rata fashion with Public Customer and DPM Participation Entitlements (trades executed in open outcry will be allocated pursuant to Rule 6.45B(b)).
- C, F, B, M and N orders will be eligible for auto-ex.
- C, F, B, M and N orders will be eligible for booking.
- Book trigger timer (N-second joining period) will be inactive.
- Quote-to-Quote Lock timer will be set to 1 second.
- COB and COA will be available in \$.01 price increments. For all other COB and COA eligibility parameters, please refer to Regulatory Circulars RG06-67 and RG06-73.
- AIM will be available in \$.01 increments.
- Preferred Market Maker trade allocation will not be available.

Please contact Greg Burkhardt at 312-786-7531 or the Help Desk at 312-786-7086 or 8749 with any questions.