



Regulatory Circular RG09-47

DATE: April 3, 2009
TO: Exchange Members
FROM: Member and Regulatory Services Division
SUBJECT: Position Transfer Fee/Data Submission Requirement

Effective January 2, 2009, the Exchange began assessing a \$.02 per contract fee for position transfers affected pursuant to Rule 6.49A.¹ These fees will be assessed as follows:

- All on-floor transfers affected pursuant to Rule 6.49A(c); both the position transferor (seller) and the transferee (buyer) will be assessed a fee of \$.02 per contract with a cap of \$12,500 for each.²
- Any off-floor (i.e. back office) transfer where regulatory review of a proposed transfer is solicited to determine whether the proposed transfer meets the off-floor transfer provisions of Rule 6.49A; the initiator of the review³ will be assessed a fee of \$.02 per contract with a cap of \$25,000.⁴

In addition to adhering to the on-floor transfer procedures outlined in Rule 6.49A(c), effective immediately, members who affect on-floor transfers are also required to:

- Email an Excel spreadsheet of the positions that comprise the transfer package to flextransfer@cboe.com. The spreadsheet must, at a minimum, include the following:
 - Transferor's Full Name/Account Number/Account Type/Clearing Firm Number
 - Transferee's Full Name/Account Number/Account Type/Clearing Firm Number
 - Transferor's Designee Full Name/Contact Number/Affiliated Firm
 - Option Class/Series/Strike, Put/Call, # of Contracts Long, # of Contracts Short
 - Underlying stock positions should be listed separately from option positions
 - Transfer Package Price (net debit/credit)
 - If the transfer package is divided among multiple Transferees, provide:
 - Full Name
 - Account Number of each respective Transferee

¹ See RG08-169; fees are billed using the regular fee billing procedures of the Accounting Department.

² If there are multiple transferees (buyers), each transferee will be assessed a fee of \$.02 per contract up to the \$12,500 cap for the transferee side of the transfer package.

³ For reviews initiated by a clearing member organization representative on behalf of one of the organization's clients (either member or non-member), the fee will be assessed to the clearing member organization. For reviews initiated by an Exchange member or an associated person of the member, the fee will be assessed to the member.

⁴ If it is determined the position transfer must be affected on-floor, only the on-floor fee will be assessed.

- Brief description of reason for transfer

This documentation must be submitted prior to the initiation of a request for quotes for the transfer package.⁵

The requirement to submit a completed, signed Position Transfer Form and hard copy list of all position(s) that comprise the transfer package to the CBOE Help Desk (**4th floor - Market Operations**) or a Trading Floor Liaison is no longer required.

Questions concerning this circular can be directed to Yvonne Sipp of the Department of Market Regulation at (312) 786-7748.

⁵ Requests for quotes must be submitted by 1:00 p.m. CT (or no later than 2:30 p.m. CT with the approval of the President of the Exchange); see Rule 6.49A(c)(9).