



## REGULATORY CIRCULAR RG09-127

**DATE:** November 3, 2009  
**TO:** Membership  
**FROM:** Market Quality and Allocation Committee  
**RE:** Bid-Ask Differentials

**This Regulatory Circular updates and replaces RG09-116.**

The SEC recently approved CBOE's rule filing (SR-CBOE-2009-67) which allows CBOE to set the bid/ask differential requirements on a class by class basis, and deletes from CBOE's rules the specific differentials identified in Rule 8.7(b)(iv). CBOE will announce the bid/ask differentials to its members via circular, and the current differentials are set forth below.

Please note that if a particular option class was granted bid-ask relief through November expiration and/or December expiration and the relief is greater than the below bid-ask differentials, the relief granted will continue through November and/or December expiration, respectively. A list of classes that have been granted relief through November and/or December expiration can be obtained by contacting the MQA Department at 312-786-7198 or at [mqa@cboe.com](mailto:mqa@cboe.com), or at <https://www.cboe.org/data/bidaskOrg.aspx>.

	<b>Bid-Ask Differentials</b>
<b>Opening Rotation &amp; Open Outcry Quote Widths</b>	\$0.50 if the bid is less than \$2 \$0.80 where the bid is at least \$2 but does not exceed \$5 \$1.00 where the bid is more than \$5 but does not exceed \$10 \$2.00 where the bid is more than \$10 but does not exceed \$20 \$3.00 where the bid is more than \$20 but does not exceed \$50, and \$5.00 where the bid is more than \$50 but does not exceed \$100, and \$8.00 where the bid is more than \$100 but does not exceed \$200, and \$12.00 where the bid is more than \$200
<b>LEAPS:</b>	
<b>Opening Rotation &amp; Open Outcry Quote Widths</b>	Twice the bid-ask differentials listed above (e.g., \$1.00 if the bid is less than \$2).
<b>Electronic Quotes Intraday</b>	Twice the bid-ask differentials listed above (e.g., \$1.00 if the bid is less than \$2) or \$5.00 wide, whichever is greater.
<b>UltraShorts and UltraLongs:</b>	
<b>Opening Rotation &amp; Open Outcry Quote Widths &amp; Electronic Quotes Intraday</b>	\$10 wide, unless the bid is more than \$200, in which case the bid-ask differential is \$12 wide.
<b>Electronic Quotes – Intraday: All Classes (except LEAPS, UltraShorts and UltraLongs)</b>	\$5 Wide

The Bid/Ask Subcommittee will continue to accept requests for Bid/Ask relief on a class by class basis. Questions regarding bid-ask relief should be directed to the Market Quality Assurance Department at 312-786-7198 or at [mqa@cboe.com](mailto:mqa@cboe.com).