

Regulatory Circular RG10-107



To: Trading Permit Holders
From: CBOE Trading Operations
Date: October 15, 2010
Re: Hybrid Allocation Algorithm for SPX

Effective October 18, 2010 the allocation method for opening and intra-day book executions in SPX options will be changed to pro-rata among all participants, including customers. This change will apply to all executions except for opening trades that occur at the minimum price increment. The allocation method for opening trades that occur at the minimum price increment will continue to be as specified in Regulatory Circular RG08-72.

Also effective October 18, 2010, the allocation method for SPX orders resting in the Complex Order Book (COB) will be changed to price-time sequence for all participants eligible to rest in COB.

Market participants are advised to be aware of this modified allocation method, especially as it applies to openings on VIX settlement days.

Questions may be directed to:
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