To: Trading Permit Holders
From: Business Development
Date: January 4, 2012
Re: Re-COA Activation

Effective Thursday, January 5, 2012, the "Re-COA" complex order auction feature will be activated in all classes traded on CBOE.   Re-COA is a process by which orders resting in COB are eligible to automatically re-auction once they are within a number of ticks from the displayed strategy market, comprised of the individual CBOE best bids or offers for the component series.

Specifics are as follows:

- An order will Re-COA once it is within 3 ticks of the displayed strategy market.
- If un-executed after the initial Re-COA, the order will be eligible to Re-COA a second time one minute later only if a BBO update is received after that 1-minute interval expires resulting in the order being within 3 ticks of the displayed strategy market.
- If un-executed after the second Re-COA, the order will be eligible to Re-COA after a 15-minute "sleep timer" expires, and then only if a BBO update is received after that sleep timer expires resulting in the order being within 3 ticks of the displayed strategy market.
- Re-COA timers are reset anytime there is a price change at the top of the strategy book.

Questions regarding this change may be directed to Anthony Montesano at (312) 786-7365/montesan@cboe.com, or the Help Desk at (866) 728-2263/helpdesk@cboe.com.