CBOE EXECUTE SUCCESS℠

Regulatory Circular RG13-041

Date: March 11, 2013

To: Trading Permit Holders
From: Regulatory Services Division
RE: Qualified Contingent Cross (QCC) Transactions

Regulatory Circular RG11-078 sets forth the requirements for the qualified contingent cross ("QCC") order type under CBOE Rule 6.53(u). In relevant part, a qualified contingent cross order is defined as, "*an order* to buy (sell) at least 1,000 contracts that is identified as being part of a qualified contingent trade coupled with *a contra-side order* to sell (buy) an equal number of contracts." *See* Rule 6.53(u) introduction (emphasis added).

The QCC order type was designed to facilitate a cross consisting of at least 1,000 contracts that is part of a qualified contingent trade. This circular is being issued to emphasize the requirement that transactions that are subject to the QCC order designation must consist of only <u>two</u> orders/parties (one order/party on each side of the trade). Multiple parties are not allowed, even if two or more contra-parties on one side of the trade can meet the threshold amount of at least 1,000 contracts.

Additional Information:
Please refer to CBOE Rule 6.53(u) and Regulatory Circular RG11-078 for a complete description of the QCC order type requirements, order entry mechanics, and reporting requirements. Any questions regarding this circular may be directed to the Regulatory Interpretations and Guidance team by telephone at (312) 786-8141 or by email at RegInterps@cboe.com