

Regulatory Circular RG14-090

Date: June 11, 2014

To: Trading Permit Holders
From: Regulatory Services Division
RE: Procedures Related to Multi-Class Spread Orders

This circular is being issued as a reminder of certain requirements in CBOE Rule 24.19, *Multi-Class Broad-Based Index Option Spread Orders*.

Rule 24.19 sets forth special open outcry trading procedures for Multi-Class Spread Orders (also referred to as Multi-Class Broad-Based Index Option Spread Orders). For purposes of Rule 24.19, a "Multi-Class Spread Order" is defined as "an order or quote to **buy** a stated number of contracts of a Broad-Based Index Option and to **sell** an equal number, or an equivalent number, of contracts of a different Broad-Based Index Option." In addition, the Rule applies only to Multi-Class Spread Orders composed of (i) any combination of MNX, NDX, or QQQ; (ii) any combination of OEF, OEX, or SPX; and (iii) any other combination of related Broad-Based Index Options as determined by the Exchange. The current list of eligible classes (which may include broad-based index options, options on ETFs, and options on ETNs) and eligible combinations are identified in Regulatory Circular RG14-033.

Be advised that a Multi-Class Spread Order is limited to two component option series legs, i.e., one leg of an eligible Broad-Based Index Option and one leg of another eligible Broad-Based Index Option. Therefore, orders that consist of more than two component legs are not eligible to be represented or executed as Multi-Class Spread Orders under Rule 24.19.

Please note that CBOE is reviewing CBOE Rule 24.19 to identify future potential changes including allowing Multi-Class Spread Orders to have greater than one leg on each side of the order. Any such changes to the rule would require SEC approval.

Additional Information:

For additional information, please refer to the full text of Rule 24.19, which is available online at www.cboe.org/legal. Further questions regarding this circular may be directed to the Regulatory Interpretations and Guidance team at reginterps@cboe.com or (312) 786-8141.