

Regulatory Circular RG14-136

Date: September 24, 2014

To: Trading Permit Holders

From: CBOE Business Development Division

RE: Rule 6.19, Trade Nullification and Adjustment Procedure

This Regulatory Circular describes procedures related to Rule 6.19

On September 25, 2014, new Rule 6.19 will be effective on CBOE. Rule 6.19 allows, after Exchange authorization, (A) transactions to be nullified if both parties agree to the nullification; and (B) the price of a transaction to be adjusted if the price adjustment is agreed to by both parties to the transaction.

All such requests for mutually agreed nullifications or adjustments must be made in writing and must be submitted by email no later than fifteen (15) minutes after the close of trading, (*i.e.*, submitted before 3:30 PM CT, normally). Trade nullification and adjustment requests must include: whether the TPH making the request is the buyer or seller, the executing firm, option class/series, trade time, quantity to be nullified or adjusted, original trade price, requested price adjustment (if applicable), and trade ID if available. All such requests must be submitted via email to ehelpdesk@cboe.com.

The CBOE will ensure that the adjusted price would have been permissible and in compliance with Exchange and Securities and Exchange Commission Rules related to applicable order books, the NBBO, and the BBO at the time the original transaction was executed. For Exchange-approved requests, the CBOE Help Desk will confirm its approval to all TPHs who are party to the transaction and disseminate the appropriate cancellation and adjustment information to OPRA.

Additional Information:

Please contact the CBOE Help Desk at 312-786-7100 or ehelpdesk@cboe.com for additional information regarding Trade Nullification and Price Adjustment Procedures.