



EXECUTE SUCCESS<sup>SM</sup>

## Regulatory Circular RG16-060

**Date:** March 28, 2016

To: Trading Permit Holders  
From: Business Development Division  
RE: Inactivation of the Quote Lock Timer

---

Replaces [RG04-049](#) , [RG04-067](#) , [RG07-047](#) , [RG07-052](#), [RG09-075](#) and updates [RG15-029](#)

The Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”) electronic trading functionality includes a “Quote Lock” feature which allows quotes from two or more CBOE Market-Makers to remain locked for a given time interval prior to trading with one another. Beginning April 1, 2016, the Quote Lock time interval on CBOE will be updated in three phases from the current settings, and will be inactivated by April 22 for all classes except symbol SPX in Regular Trading Hours (RTH), which trades on the Hybrid 3.0 platform. The schedule will be as follows:

### Current Settings

All Hybrid classes have a 1000 millisecond quote lock timer with the following exceptions: DIA, IWM, OEF, OEX, QQQ, SPY, XEO and XSP, which are set to 10 milliseconds.

### PHASE I: Effective April 1<sup>st</sup>

The Quote Lock timer will be changed to 0 milliseconds for classes DIA, IWM, OEF, OEX, QQQ, XEO and XSP; and to 10 milliseconds for all other Hybrid classes (excludes symbol SPX in the RTH session).

### PHASE II: Effective April 8<sup>th</sup>

The Quote Lock timer will be changed to 0 milliseconds for classes SPY and VIX in the RTH session.

### Phase III: Effective April 22<sup>nd</sup>

- The Quote Lock timer will be set to 0 milliseconds for all remaining Hybrid classes in the RTH session (excludes symbol SPX).
- The Quote Lock timer will also be set to 0 milliseconds for all classes trading in the Extended Trading Hours (ETH) session.

Market-Maker Trading Permit Holders wishing to test this functionality in the Exchange’s development environment may contact the CBOE API Group at 312-786-7300 or [api@cboe.com](mailto:api@cboe.com) for further information.

### Additional Information

For additional information regarding operational matters, please contact the CBOE Help Desk at [helpdesk@cboe.com](mailto:helpdesk@cboe.com) or 866-728-2263.