

Regulatory Circular RG16-099

Date: May 23, 2016

To: Trading Permit Holders

From: API Group and Helpdesk

RE: 2016 Back-Up Data Center Test

Overview

On October 15, 2016, Chicago Board Options Exchange, Incorporated (“CBOE” or “Exchange”), will conduct testing of the Exchange’s back-up data center. The October 15, 2016 back-up data center test will be conducted in coordination with C2 Options Exchange, Incorporated (“C2”) and other market centers as part of SIFMA’s annual BCP test.

Designated BCP/DR Participants

Pursuant to Regulation Systems Compliance and Integrity (“Reg. SCI”)¹ and CBOE Rule 6.18 (Disaster Recovery),² certain Trading Permit Holders (“TPHs”) will be required to participate in the October 15, 2016 test (“Designated BCP/DR Participants”) and meet minimum mandatory participation requirements during testing.

The following TPHs have been determined by the Exchange to be Designated BCP/DR Participants for which mandatory participation in the October 15, 2016 test is required:

- All Market-Makers in option classes exclusively listed on CBOE³ who are streaming quotes in such classes;
- All Designated Primary Market-Makers (“DPMs”) in multiply listed option classes; and
- All TPHs connected to the CBOE primary data center and transacting non-TPH customer business unless that TPH can demonstrate ready access to the back-up data center through another TPH that is a designated participant.

Note that:

- Floor Broker TPHs that do not have proprietary systems connected to CBOE and instead utilize Exchange-sponsored facilities such as Floor Broker Workstation 2 (“FBW2”), PULSe, or the CBOE Order Management Terminal (“OMT”) are not required to participate.

Designated BCP/DR Participants that use a third party for connectivity must participate in the October 15, 2016 test. It is not sufficient for only the third party to participate in testing.

Mandatory Participation Requirements

Designated BCP/DR Participants will be expected to successfully connect to the CBOE DR site as well as submit quotes and/or orders, as appropriate, to the back-up data center during testing.

TPHs who are not Designated BCP/DR Participants are also strongly encouraged to participate in the October 15, 2016 back-up data center test.

¹ See 17 CFR §242.1004

² See CBOE Rule 6.18(b)(iv)(A); see also CBOE Regulatory Circular [RG15-155](#).

³ “Exclusively listed on CBOE” means an option that is listed exclusively by CBOE because CBOE has an exclusive license to use, or has proprietary rights in, the interest underlying the option.

Test Schedule

DR ports in Chicago will be available upon request for telnet testing prior to the back-up data center test.

The expected test schedule for October 15, 2016 is as follows:

7:30 AM CT – Connectivity to the Chicago DR site will begin to be made available
8:00 AM CT – Pre-open trading session begins
8:30 AM ET – Regular market trading session open
11:30 AM CT – Regular market trading session close
12:00 PM CT – After-market trading session close

Test Script

All symbols will be made available for quoting and order entry for CBOE at the CBOE DR site in Chicago.

TPHs with connectivity to the CBOE DR site will be allowed to connect, submit orders, and receive market data for the duration of the test. The following functionality will be tested and verified during the October 15, 2016 back-up data center test:

- TPH Connectivity
- Pre-open trading session
- Regular market trading session open
- Trade activity
- Market data dissemination
- Quote submission
- Order routing
- Clearing
- Regular market trading session close

A detailed test script will be published prior to the October 15th test.

Helpdesk and Operations Support

Helpdesk and Operations support will be available during the October 15, 2016 back-up data center test. For support, please contact the CBOE Helpdesk at (866) 728-2263 or the CBOE Network Operations Center ("NOC") (312) 786-7642 during the test.

Additional Information:

For technical support questions and additional information about the October 15, 2016 back-up data center test and the 2016 SIFMA BCP test, please contact the API Group at api@cboe.com or (312) 786-7300 or the CBOE Helpdesk at helpdesk@cboe.com or 866-728-2263.

Questions relating to this circular and Designated BCP/DR Participant obligations and testing requirements may be directed to the Regulatory Interpretation and Guidance Line at (312) 786-8141 or RegInterps@cboe.com.