

CBOE Regulatory Circular RG17-043

Date: March 24, 2017

To: Trading Permit Holders

From: Research

RE: March 2017 Compression Forums

March Compression Forum Hours

Pursuant to Rule 6.56, the Exchange will hold open outcry “compression forums” on the final three business day of every calendar month to facilitate closing-only transactions in series of S&P 500 Index options, including on March 29, 30 and 31, 2017 from 10:00 am CT to 2:00 pm CT.¹

Compression Forum Fee Rebate

Subject to qualifications described in Rule 6.56 and applicable provisions under footnote 41 of the Exchange’s Fees Schedule, the Exchange will rebate transaction fees (including the Index License Surcharge), incurred on compression trades involving positions that are submitted to the Exchange before the end of Regular Trading Hours on the fourth-to-last business day of the month. **For Trading Permit Holders that would like to take advantage of these rebates for February compression trades, please note that compression position lists must be submitted to the Exchange via email at compressiontrades@cboe.com by 3:15 pm (CT) on Tuesday, March 28, 2017.** Transaction fees for qualifying compression trades (up to the quantity indicated on the compression position lists for each series), including the Index License Surcharge will be eligible for rebate provided a rebate request with supporting documentation is submitted to the Exchange within 3 business days of the transactions. Please see refer to the “Additional Information” below for additional information on the applicable requirements.

Non-Compression Forum Fee Rebate

Pursuant to a separate program under footnote 41 of the Exchange’s Fees Schedule, the Exchange will rebate transaction fees on SPX, SPXW and SPXPM transactions for compression trades not executed through a Compression Forum, provided they meet the following conditions:

- (i) involves a complex order with at least five (5) different series in S&P 500 Index (SPX) options, SPX Weeklys (SPXW) options or p.m.-settled SPX options (SPXPM),
- (ii) is a closing-only transaction or, if the transaction involves a Firm order (origin code “F”), is an opening transaction executed to facilitate a compression of option positions for a market-maker or joint-back office (“JBO”) account executed as a cross pursuant to and in accordance with CBOE Rule 6.74(b) or (d);
- (iii) is a position with a required capital charge equal to the minimum capital charge under Option Clearing Corporation’s (“OCC”) rules RBH Calculator or is a position comprised of option series with a delta of ten (10) or less and
- (iv) is entered on any of the final three (3) trading days of any calendar month.

Rebate requests for either of these two rebates must be submitted to the Exchange at DividendRebate@cboe.com with a completed Strategies Rebate Form within 3 business days of the

¹ See CBOE Regulatory Circular [RG16-203](#) (Operational Procedures for Open Outcry “Compression Forum”) for information on the procedures for participating in a compression forum.

transactions. The Strategies Rebate Form is available at http://www.cboe.com/publish/feeschedule/div-merger-ssi_spread_rebate_form.xls.

Additional Information:

For more information regarding compression trades and compression forums generally as well as the related fee rebate program, please refer to Rule 6.56, footnote 41 of the Fees Schedule and Rule Filings [SR-CBOE-2016-090](#) and [SR-CBOE-2016-094](#). For more information on the non-compression forum rebate, please refer to footnote 41 of the Fees Schedule and Rule Filings [SR-CBOE-2015-117](#) and [SR-CBOE-2016-074](#). Additional questions may be referred to the Regulatory Interpretations team at RegInterps@cboe.com or by telephone at (312) 786-8141.

For questions on how to complete and submit the Strategies Rebate Form, please contact Bill Speth at spethw@cboe.com or (312) 786-7141, John Hiatt at hiattj@cboe.com or (312) 786-7779, or Joe Green at greenj@cboe.com or (312) 786-7909.