



CBOE Regulatory Circular RG17-045

Date: March 31, 2017

To: Trading Permit Holders

From: Business Development Division

RE: Electronic Processing of SPX vs SPXW spread orders

Updates Regulatory Circular [15-029](#)

The Chicago Board Options Exchange, Incorporated ("CBOE" or "Exchange") is pleased to announce updated order handling for complex orders that include both SPX and SPXW legs.

Currently, during Regular Trading Hours (RTH), SPX vs SPXW complex orders are routed to a PAR broker and handled and executed manually. During Extended Trading Hours (ETH), SPX vs SPXW complex orders are currently rejected.

The update, targeted to be effective April 10, 2017, will allow SPX vs SPXW complex orders to be processed and executed electronically via the Complex Order Book (COB) and/or Complex Order Auction (COA). Customer orders will be eligible to initiate a COA in both RTH and ETH. In the RTH session, customer orders will be eligible, prior to the open and intraday, to rest in the COB. Non-customer orders will be eligible to rest in the COB prior to the open only, if marked with an Opening Only (OPG) contingency, and will be eligible to interact with orders resting in COB after the open if marked Immediate or Cancel (IOC). In the ETH session, SPX vs SPXW orders from all participants will be allowed to rest in the COB at all times. Automated Improvement Mechanism (AIM) processing will be unavailable for SPX vs SPXW spreads in both RTH and ETH.

If an SPX vs SPXW order resting in COB becomes marketable with leg markets, the order will initiate a COA. Following a COA, any un-executed remainder that is still marketable with the legs will route to a PAR broker in the RTH session or be cancelled back to the sender during the ETH session.

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 for further information.

Additional Information

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