



**Cboe Options Regulatory Circular RG19-034**  
**CFE Regulatory Circular RG19-004**

**Date:** October 8, 2019

**To:** Volatility Index Derivatives Market Participants

**From:** Regulatory Division and Market Structure Department

**RE:** Retirement of Current Modified HOSS Opening Procedures for  
Settlement of Volatility Index Derivatives Effective October 7, 2019

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**Replaces Cboe Options Regulatory Circular RG18-038 and CFE Regulatory Circular RG18-016**

Cboe Exchange, Inc. (Cboe Options) and Cboe Futures Exchange, LLC (CFE) (collectively, the Exchanges) are issuing this joint regulatory circular to reflect that the modified Hybrid Opening System (HOSS) procedure described in former Cboe Options Rule 6.2, [Cboe Options Regulatory Circular RG18-038](#), and [CFE Regulatory Circular RG18-016](#) no longer applies to option series used to calculate the exercise or final settlement value of expiring volatility index derivatives since the migration of Cboe Options to its new trading platform, which was completed on October 7, 2019. Accordingly, the above-referenced regulatory circulars and any other circulars or notices that describe the Modified HOSS opening process on Cboe Options are no longer applicable.

A Cboe Options rule change filing was recently approved by the U.S. Securities and Exchange Commission to amend, among other things, the modified opening auction process Cboe Options will use to calculate the exercise or final settlement value of expiring volatility index derivatives going forward.<sup>1</sup> **The rule amendments will be effective for the October 9, 2019 volatility index derivatives settlement.** Market participants are encouraged to review the filing for more information related to the process.

**Additional Information**

For questions, please contact the Regulatory Interpretations team at [RegInterps@cboe.com](mailto:RegInterps@cboe.com) or (312) 786-8141 or [CFERegInterps@cboe.com](mailto:CFERegInterps@cboe.com) or (312) 786-7229.

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<sup>1</sup> See Securities Exchange Act Release No. [34-8679](#) (September 5, 2019) ([SR-CBOE-2019-034](#)).