



Change to CFE Pre-Open Time for TAS Contracts and Order Submission Commencement Times

Reference ID: C2018071603

Overview

On **August 12, 2018**, Cboe Futures Exchange, LLC (CFE) will adjust the pre-open time at which Trade-at-Settlement (TAS) contracts transition from a suspended state to a queuing state at the beginning of a business day. Currently, the pre-open time at the beginning of a business day for both TAS and non-TAS contracts commences within the same randomized, three second period. Following the change, the pre-open time for each non-TAS contract in a product will commence randomly during the first three seconds following the start time of the queuing period, and the pre-open time for any TAS contract in that product will commence randomly between three to six seconds following the start time of the queuing period.

Pre-Open Commencement Times

For Cboe Volatility Index (VX) futures, the pre-open commencement times for non-TAS and TAS contracts at the beginning of each business day will be updated as detailed below.

Sunday

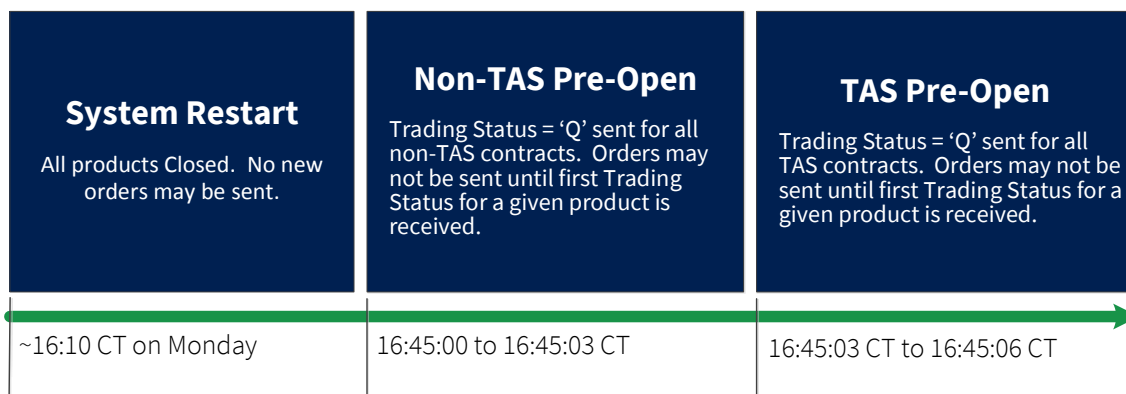
- ❖ 16:00:00 to 16:00:03 CT = non-TAS Pre-Open
- ❖ 16:00:03 to 16:00:06 CT = TAS Pre-Open

Monday-Thursday

- ❖ 16:45:00 to 16:45:03 CT = non-TAS Pre-Open
- ❖ 16:45:03 to 16:45:06 CT = TAS Pre-Open

See the diagram below for an example of a Monday afternoon pre-open transition for VX futures.

CFE Monday Pre-Open Transition



Testing Opportunities

Starting **July 29, 2018**, the CFE certification environment will be configured to reflect the change to the commencement of the queuing period for TAS contracts. CFE Trading Privilege Holders (TPHs) are encouraged to test prior to the designated production rollout for regulatory compliance with CFE Rule 404A(c).

Order Submission Commencement Times

Rule 404A(c) provides that during the time period between Exchange business days for a product, the entry into the CFE System of a TAS order in that product prior to the time at which the CFE System disseminates the first pre-opening notice for TAS orders in that product is prohibited. Rule 404A(c) further provides that the first pre-opening notice for a TAS contract in a product is the pre-opening notice that establishes the time at which TAS orders may be submitted for all TAS contracts in that product.

Additionally, commencing on August 12, 2018, new CFE Rule 405A(a)(vi) will apply the same provisions to non-TAS contracts as currently apply to TAS contracts under Rule 404A(c). Specifically, during the time period between Exchange business days for a product, the entry into the CFE System of a non-TAS order in that product prior to the time at which the CFE System disseminates the first pre-opening notice for non-TAS orders in that product will be prohibited. New Rule 405A(a)(vi) also provides that this prohibition does not apply to cancel orders for non-TAS contracts submitted while the CFE System is in a suspended state between Exchange business days after the restart of the CFE System during the suspended state since CFE permits cancel orders to be submitted during this time frame.

More Information

TPHs may refer to CFE's rule certification regarding the changes discussed in this notice for additional detail. That rule certification will become effective on August 12, 2018, subject to regulatory review.

For more information refer to the following links:

- ❖ [US Futures Opening Process Specification](#)
- ❖ [CFE Rule Certification CFE-2018-011](#)

Contact the [CFE Trade Desk](#) for support or with any operational questions.

Any regulatory compliance questions may be directed to CFE Regulatory Interpretations at (312) 786-7229 or AskCFEReg@cboe.com.

We appreciate your continued support and will work hard every day to keep earning your business by powering your potential to stay ahead of an evolving market. As always, we are committed to our customers and to making markets better as your partner in trading.

CFE Trade Desk

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