



Cboe BYX Exchange, Inc. Information Circular **18-013**
Cboe EDGA Exchange, Inc. Information Circular **18-013**
Cboe EDGX Exchange, Inc. Information Circular **18-013**

Date: January 17, 2018

Re: iPath Series B S&P 500 VIX Notes

Pursuant to the Rules of Cboe BYX Exchange, Inc., Cboe EDGA Exchange, Inc., and Cboe EDGX Exchange, Inc. (referred to hereafter as the “Exchanges”), this Information Circular is being issued to advise you that the following securities have been approved for trading on the Exchanges pursuant to Chapter XIV of each Exchange’s respective rules.

Securities (the “Notes”)

Symbol

iPath Series B S&P 500 VIX Short-Term Futures ETN
iPath Series B S&P 500 VIX Mid-Term Futures ETN

VXXB
VXZB

Commencement of Trading on the Exchanges: January 18, 2018

Issuer/Trust: Barclays

Issuer Website: <http://etn.barclays.com/US/7/en/home.app>

Primary Listing Exchange: Cboe BZX Exchange, Inc.

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in these new products on the Exchanges, as well as to provide certain characteristics and features of the Notes.

Background Information on the Notes

As more fully explained in the Prospectus Supplement, the return on each series of Notes is linked to the performance of the relevant Index. Each Index seeks to provide investors with exposure to one or more maturities of futures contracts on the VIX Index, which reflect implied volatility of the S&P 500® at various points along the volatility forward curve. The calculation of the spot level of the VIX Index is based on prices of put and call options on the S&P 500®. Futures on the VIX Index allow investors the ability to invest in forward volatility based on their view of the future direction of movement of the VIX Index. Each index is intended to reflect the returns that are potentially available through an unleveraged investment in the futures contract or contracts on the VIX index plus the rate of interest that could be earned on reinvestment into the Index of the return on the notional value of the Index



based on the 3-month U.S. Treasury rate. The S&P 500[®] VIX Short-Term Futures[™] Index TR targets a constant weighted average futures maturity of one month. The S&P 500[®] VIX Mid-Term Futures[™] Index TR targets a constant weighted average futures maturity of five months. The Indices were created by S&P Dow Jones Indices LLC (“S&P Dow Jones Indices” or the “index sponsor”). The index sponsor calculates the level of the relevant Index daily, and publishes it on the Bloomberg pages specified herein as soon as practicable thereafter.

The return of the iPath Series B S&P 500 VIX Short-Term Futures ETN is linked to the performance of the S&P 500[®] VIX Short-Term Futures Index TR.

The return of the iPath Series B S&P 500 VIX Mid-Term Futures ETN is linked to the performance of the S&P 500[®] VIX Mid-Term Futures Index TR.

The Notes are subject to early redemption or acceleration in whole or in part at any time. Accordingly, an investor should not expect to be able to hold the Notes to maturity. Additionally, the Notes do not guarantee any return of principal at, or prior to, maturity or call, or upon early redemption. Instead, at maturity, investors will receive a cash payment, the amount of which will vary depending on the performance of the Index, reduced by any applicable fees, and may be zero.

The Notes may be redeemed early, at the investor’s option, subject to a minimum redemption amount of 25,000 Notes. Upon such early redemption, the investor will receive a cash payment that is based on the performance of the Index, less any applicable fees.

The iPath Series B S&P 500 VIX Short-Term Futures ETN initial indicative value current value on the initial valuation date will equal \$27.08, and the iPath Series B S&P 500 VIX Mid-Term Futures ETN initial indicative value current value on the initial valuation date will equal \$16.97. The closing indicative value of each series of Notes on each business day after the inception date will be based on the closing level of the Index on that business day.

The Intraday Indicative Value for the Notes will be disseminated by market data vendors under the symbol VXXB.IV for VXXB and VXZB.IV for VXZB.

Additional information regarding the Notes, including information about redemption procedures, fees, and dividends can be found in the Prospectus and Prospectus Supplement.

Investment Risks

As described in the Notes’ Prospectus Supplement, investing in the Notes involves a number of risks not associated with an investment in conventional debt securities. An investment in the Notes involves significant risks and is not appropriate for every investor. Investing in the Notes is not equivalent to investing directly in the Index. Accordingly, the Notes should be purchased only by



knowledgeable investors who understand the terms of the investment in the Notes and are familiar with the behavior of the Index and financial markets generally.

Interested persons are referred to the Prospectus for a full description of risks associated with an investment in the Notes. These risks include, but are not limited to, loss of all or a substantial portion of an investment in the Notes; no guaranteed minimum payment at maturity or call, or upon acceleration or early redemption, nor do they pay interest or any coupon amount; the Notes may be accelerated and redeemed, resulting in a loss of all or a substantial portion of an investment; there is a restriction on the minimum number of Notes that may be redeemed and on the procedures and timing for early redemption; the redemption amount may not be known at the time a request to redeem is elected; and the market value of the Notes may be influenced by many unpredictable factors. For a more complete description of the securities and the payment at maturity, valuation, fees and risk factors, consult the Notes' Prospectus Supplement.

Exchange Rules Applicable to Trading in Notes

Trading in the Notes on the Exchanges is subject to the Exchanges' equity trading rules.

Trading Hours

The Notes will trade on Cboe BYX Exchange, Inc. between 8:00 a.m. and 5:00 p.m. ET. The Notes will trade on Cboe EDGA Exchange, Inc. and Cboe EDGX Exchange, Inc. between 8:00 a.m. and 8:00 p.m. ET.

Please note that trading in the Notes during the Exchanges' Pre-Opening and After Hours/Post Closing Trading Sessions ("Extended Market Sessions") may result in additional trading risks which include: (1) that the current underlying indicative value may not be updated during the Extended Market Sessions, (2) lower liquidity in the Extended Market Sessions may impact pricing, (3) higher volatility in the Extended Market Sessions may impact pricing, (4) wider spreads may occur in the Extended Market Sessions, and (5) because the indicative value is not calculated or widely disseminated during the Extended Market Sessions, an investor who is unable to calculate an implied value for the Shares in those sessions may be at a disadvantage to market professionals.

Suitability

Trading in the securities on the Exchanges will be subject to the provisions of Exchange Rule 3.7. Members recommending transactions in the securities to customers should make a determination that the recommendation is suitable for the customer. Members should adopt appropriate procedures for the opening and maintaining of accounts, including the maintaining of records prescribed by any applicable regulatory organization and by the rules and regulations of the Commission.



Trading Halts

The Exchanges will halt trading in the shares of a security in accordance with Exchange Rules. The grounds for a halt include a halt because the intraday indicative value of the security and/or the value of its underlying index are not being disseminated as required, a halt for other regulatory reasons or due to other conditions or circumstances deemed to be detrimental to the maintenance of a free and orderly market.

This Information Circular is not a statutory prospectus. Members should consult the prospectus for a security and the security's website for relevant information.

Please contact Listings Services at 913.815.7024 with any inquiries regarding this Information Circular.