



Cboe Options Exchange VIX GTH LMM Solicitation

Reference ID: C2019111200

Overview

Applicable Cboe Exchange(s): Cboe Options

Cboe Exchange, Inc. ("Cboe Options") will be accepting applications from interested Trading Permit Holders for the Lead Market-Maker ("LMM") role in the Global Trading Hours ("GTH") session for VIX options (including VIX weekly options).

Details

Cboe Options intends to select one candidate to serve as the VIX GTH LMM from **November 18, 2019 through January 31, 2020**, considering various factors including those set forth in Cboe Options Rule 3.55.

A GTH LMM, like any GTH Market-Maker, will have a regulatory obligation to maintain continuous two-sided quotes in 60% of the series with less than nine months to expiration in its appointed products for at least 90% of the time it is quoting during GTH (to be determined for its GTH appointments collectively and on a monthly basis) and satisfy all other Market-Maker obligations set forth in Rule 5.51 during GTH.

Additionally, subject to regulatory approval, a VIX GTH LMM that meets or exceeds the following heightened quoting standards in a month will receive a compensation payment for that month in the amount of \$20,000 (subject to change and announced by Exchange Notice/Fee Schedule). To receive the monthly payment a VIX GTH LMM must provide quotes 90% of the time between 3:00a.m. ET and 9:15a.m. ET, in 99% of the VIX option series. To qualify, a quote must be no wider than the limits described in the below table, and quotes qualify only when the series is open (i.e., pre-open quotes do not count).

Premium Level	Maximum Allowable Width
\$0.00 - \$100.00	\$10.00
\$100.01 - \$200.00	\$16.00
Greater than \$200.00	\$24.00

As pre-open quotes do not count towards the heightened quoting standard, it is important for the LMM to provide quotes narrow enough for the system to open, as soon as possible. A series will be eligible to open only if the best quote is no wider than the MCW/OCW widths defined in the below table:

Composite Market Price	Max Composite Width
\$0.00 - \$1.99	\$0.50
\$2.00 - \$5.00	\$0.80
\$5.01 - \$10.00	\$1.00
\$10.01 - \$20.00	\$2.00
\$20.01 - \$50.00	\$3.00
\$50.01 - \$100.00	\$5.00
\$100.01 - \$200.00	\$8.00
Greater than \$200.00	\$12.00

Interested parties must submit application materials to become the VIX GTH LMM no later than **4:00 pm ET on Thursday November 14th, 2019** to Cboe Membership Services. The application link can be found [here](#). Please contact Cboe Membership Services at membershipservices@cboe.com with any application questions.

Additional Information

Questions regarding this topic may be directed to the Market Structure and Functionality (“MSF”) group. Operational questions may be directed to Cboe Operations Support Center (“OSC”). Regulatory questions may be directed to the Regulatory Interpretations and Guidance team.

We appreciate your business and remain committed to powering your potential with Cboe products, technologies and solutions.

Cboe Market Structure and Functionality

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Cboe Operations Support Center

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Cboe Regulatory Interpretations and Guidance

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