



# Update - Cboe Announces Harmonization of Quoting Obligations and Market Maker Registration/Class Appointments for Select Options Exchanges

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## **Overview** (UPDATED)

**Effective May 10, 2019**, Cboe Global Markets will introduce harmonized Market Maker quoting obligations on the **BZX Options ("BZX")**, C2 Options ("C2") and EDGX Options ("EDGX") Exchanges, *subject to regulatory review*. Additionally, updated registration/class appointment procedures on **BZX and** EDGX will be implemented.

**BZX Options Market Maker quoting obligations and registration process will remain unchanged.** Any changes to quoting obligations or the registration process on BZX will be communicated in a future notice.

## **Technical Details** (UPDATED)

### **Adjustment to Market Maker Quoting Obligations**

**Effective May 10, 2019**, Market Makers on **BZX**, C2 and EDGX will be required to provide two sided quotations in a minimum of 60% of the cumulative number of seconds for which a Market Maker's appointed classes (see "Changes to Registration" below) are open for trading, **excluding**:

- any adjusted series,
- any intra-day add-on series on the day during which such series are added for trading,
- any Quarterly Option Series, and
- any series with an expiration of greater than 270 days.

**BZX quoting obligations will remain unchanged at 75% of the options series in which the Market Maker is registered for 90% of the time that the Market Maker is required to provide quotes in an appointed series.**

### **Changes to Market Maker Registration**

BZX and EDGX Market Makers are currently able to register for series in which they wish to quote by using the Market Maker tool within the Cboe Customer Web Portal and Secure Web API. Upon the effective date, the Market Maker tool will be updated to support registration **by class only rather than by series on BZX and** EDGX. Further, in this context, the term "registration" will be changed to "class appointment". Under a class appointment, a Market Maker obtains Market Maker treatment by agreeing to satisfy

obligations in an appointed class. This change aligns ~~BZX and~~ EDGX with current C2 procedures and terminology.

**Please be advised that all existing EDGX Market Maker series registrations, including any registrations uploaded on May 9, will be deleted overnight prior to the effective date. Accordingly, any Market Makers wishing to be appointed in any underlyings on May 10 will be required to upload new class appointments via the Cboe Customer Web Portal or Secure Web API on the morning of May 10 between the hours of 2 a.m. ET and 9 a.m. ET.**

## **Testing Opportunities** (UPDATED)

~~Effective April 18, 2019, the web registration interface was updated to use the new process, allowing users to make appointments by class in the BZX, C2 and EDGX certification environments. Please note existing BZX and EDGX Market Maker registrations will be removed in the certification environment at the close of trading on April 17th. To test the new functionality, Market Makers will be required to upload new class appointments in the certification environments via the Cboe Customer Web Portal or Secure Web API.~~

## **Additional Information**

For additional information on the Market Maker Registration Tool, refer to the following technical specifications and [Regulatory Circular RC19-013](#).

- [US Customer Web Portal Specification](#)
- [Secure Web API](#)

Please contact the Cboe Trade Desk for support or with any questions.

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### **Cboe Trade Desk**

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