



Novel Coronavirus Update

Reference ID: C2020022801

Overview

Please be advised that Cboe is continuing to closely monitor the current situation regarding the novel coronavirus (COVID-19). Cboe has reviewed its pandemic planning procedures and is prepared to respond appropriately if and when the situation progresses. There are no plans for any changes that would impact trading operations or support of trading on the Cboe Options Exchange (“C1”) floor, nor any that would impact Cboe equities, options, futures, or FX electronic trading platforms.

In the event the situation would escalate such that it would become necessary to close the C1 trading floor to prevent spread of COVID-19, Cboe is prepared for C1 to operate in an electronic only trading mode. In an electronic only trading mode, the trading floor and all routing to the trading floor will be disabled and unavailable. Input of orders for matching on C1 will only be available electronically via FIX and BOE, similar to all other Cboe options trading platforms. Any orders with instructions to route to the floor would be rejected. Note this electronic only functionality has been tested and has been previously used in production on October 28, 2019.

Some additional consideration C1 TPHs should make in event of an electronic only mode:

- Floor Brokers will not have access to their floor tools, including their proprietary trading terminals, PULSe, Silexx, Blaze, WEX, CE, etc. As such, arrangements should be made to conduct business upstairs.
- Risk limits should be reviewed, given there may be more volume than normal executed electronically.
- AIM would be active for SPX/SPXW.
- Complex orders greater than 3:1 and stock/option orders greater than 8:1 will be rejected.
- Clients will not be allowed to route electronic orders with net cash limit price. Only standard convention debit/credit limits will be accepted.
- Orders residing on PAR will be cancelled back to the customer.
- With respect to FLEX orders:
 - FLEX access will continue to be available via the Cboe Silexx platform or via Cboe’s FIX API.
 - FLEX option orders may be executed using any of the following electronic features:
 - Single-sided auction.
 - AIM.
 - SAM.
 - Up to 100 legs are supported, and paired orders via AIM and SAM may contain up to 10 contra orders.
 - Support remains available for all FLEX order types, including fixed and percentage trades, where the strike and execution price are determined and restated based on the official closing price of the underlying security or index. **IMPORTANT: Users are reminded that**

Clearing Editor modifications are not permitted on FLEX percentage trades once the restatement is completed.

Interim Guidance for Business and Employers from the CDC

The CDC has published interim guidance to provide recommended strategies for employers that may help prevent workplace exposures to acute respiratory illnesses, including COVID-19, in non-healthcare settings. Just as we encourage Cboe staff to review and follow this guidance, we encourage the Cboe trading community to do the same.

Current strategies recommended by the CDC include:

- Actively encouraging sick employees to stay home;
- Separating sick employees;
- Emphasizing respiratory etiquette and hand hygiene by all employees;
- Performing routine environmental cleaning;
- Advising employees before traveling to take certain steps as detailed in the [CDC's Traveler's Health Notices](#); and
- Conducting risk assessments for those who may have been exposed to a family member or co-worker with a COVID-19 infection.

Full details of the CDC recommended strategies can be found [here](#).

Travel Advisories from the CDC

The CDC has issued a "Warning – Level 3, Avoid Nonessential Travel" advisory for travel to both China and South Korea related to COVID-19. The CDC maintains current travel advisories listings [here](#).

Additional Information

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

- [CDC Travel Health Notices](#)
- [CDC Guidance for Businesses and Employers](#)
- [OCC Unscheduled Market Closing Guide](#)

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