



Operational Setting Changes for Cboe Options Acceptable Price Range (APR) and Opening Exchange Prescribed Width (OEPW)

Overview

Effective **Wednesday, May 16, 2018**, Cboe Options will change the operational system settings for the option classes whose series are used to calculate exercise settlement values for expiring volatility index derivatives on their respective expiration dates.

Details

On the expiration dates for volatility index derivatives, classes whose series are used to calculate exercise settlement values for expiring volatility index derivatives open pursuant to the modified HOSS procedures (see Cboe Options Rule 6.2.01). On all other trading days, these series open pursuant to the regular HOSS procedures (see Cboe Options Rule 6.2).

An option series will not open if the opening trade price is not within an acceptable opening price range, which is calculated using the midpoint of the best Cboe Options quote bid-ask plus/minus half of the OEPW. A market order will not execute if the width of the NBBO at the time of receipt is not within the APR. Beginning on the effective date, on all standard and weekly expiration dates for VIX and RVX derivatives, the OEPW and APR ranges in the option classes whose series are used to calculate exercise settlement values for expiring volatility index derivatives will be narrowed to the levels shown in the table below.

OEPW and APR on Volatility Index Derivative Expiration Days		
Bid Price	OEPW	APR
0.00 - 0.25	0.25	0.60
0.26 - 0.50	0.30	0.60
0.51 - 1.00	0.35	1.00
1.01 - 1.99	0.40	1.00
2.00 - 5.00	0.60	1.60
5.01 - 10.00	0.70	2.00
10.01 - 20.00	1.00	2.50
20.01 - 30.00	1.80	4.00
30.01 - 40.00	2.40	5.00
40.01 - 50.00	3.00	6.00
50.01 - 100.00	6.00	10.00
100.01 - 200.00	9.00	16.00
>=200.01	14.00	24.00

The operational settings for these classes on non-volatility index derivative expiration dates will remain unaffected.

Additional Information

Questions regarding this subject may be directed to Cboe Market Structure and Functionality. For additional information regarding operational matters, please contact the Cboe Operations Support Center.

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.

Cboe Market Structure and Functionality

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