

What is the process for Cboe considering a transaction for designation as erroneous in nature?

The procedures for submitting Obvious Error (“OE”) requests to Cboe, and the manner in which Cboe processes and considers those requests, are governed by rule. OE rules are uniform across all U.S. options exchanges and very specific in nature.

Please note that Cboe only receives orders from its member brokers. Non-members are not able to route orders directly to Cboe. Generally, the Cboe member broker that routes the order to the Exchange (also known as the executing broker) is the party able to submit an OE request. If the executing broker request is received within the timeframe set by the rule, Cboe makes a best-efforts attempt to conclude the OE analysis in a timely fashion. It is important to note that final trade records for expiring options must be submitted to the OCC by their applicable cut-off time. If Cboe cannot complete the OE review by that time, trades will be submitted to the OCC to clear at the unadjusted price. If Cboe determines that it can adjust a trade, the trade will generally be adjusted unless the adjusted price would violate any limit price originally placed on the order.

For further information on the operation of the OE rule, please see [Cboe Options Rule 6.5 \(“Nullification and Adjustment of Options Transactions Including Obvious Errors”\)](#).

What are the quoting requirements for SPX options?

Market-Makers appointed to the SPX Options class are subject to the Market Maker obligations set forth in the Cboe Options Rulebook, notably [Cboe Options Rule 5.51 \(“Market-Maker Obligations”\)](#) and [Cboe Options Rule 5.52 \(“Market-Maker Quotes”\)](#). Market-Makers are generally obligated to engage in a course of dealing for their own account to assist in the maintenance of fair and orderly markets on the Exchange. They do so by, among other things, maintaining a continuous two-sided market, competing with other Market-Makers, and maintaining active markets in their appointed classes.

For detailed information related to Market-Maker obligations, and specifically the SPX group of series, see [RG19-032 Market Maker Appointments and Quoting Obligations – Effective October 7, 2019](#). Please note that the Minimum Quote Size Requirement has been further updated effective April 28, 2025 (see [Cboe Options Reduces SPX Intraday Initial Minimum Quote Size Requirements for Electronic Bids and Offers](#)).

Do brokers route untriggered stop orders to Cboe?

Cboe is unable to comment on the routing practices of specific brokers. A member broker maintains discretion over the manner in which they handle and execute their customers' orders, subject to the broker's own regulatory obligations, such as best execution. A member broker determines whether their customer order is routed to the Exchange or held off-Exchange, either by the member broker itself or a wholesaler broker to whom the member broker has previously routed the order. In instances where a member broker (or their wholesaler broker, as applicable), hold customer stop orders, Cboe has no visibility into the existence of those stop orders. To the extent that a member broker (or their wholesaler broker, as applicable) routes untriggered stop orders to the Exchange, those orders are held at the Exchange. To the extent that a member broker (or their wholesaler broker, as applicable) routes triggered stop orders to the Exchange, the Exchange will see those orders in their post-triggered form as market and limit orders. Note that Cboe currently only supports single-leg stop orders and not complex stop orders.

Does Cboe cancel triggered stop orders?

Cboe generally does not cancel triggered stop orders, and exceptions would be very rare and fact-specific. One such instance would be where a routing member broker disconnected from Cboe, in which case the Exchange would then cancel all open orders, including any triggered or untriggered stop orders.

How does Cboe's Drill-Through Price Protection initiate?

The primary purpose of Drill-Through Price Protection is to prevent orders from executing at prices "too far away" from the market when they enter the Book for potential execution. The Drill-Through Price Protection mechanism allows an order to be executed at a price no more than a specified amount (Drill-Through Amount or "DTA") through the opposite-side NBBO at the time the order enters the Book. This includes, for example, when a Stop (Stop-Loss) or Stop-Limit order is elected.

For information regarding how Cboe's Drill-Through Price Protection operates, please see the following publications:

- [Update - Cboe Options Exchanges Enhance Drill-Through Price Protection, Including Stop/Stop Limit, Market and Limit Orders](#)
- [Schedule Update - Cboe Options Exchanges Update Drill-Through Amounts](#)

How Can a Market Participant Raise a Concern Regarding a Transaction Executed on Cboe?

If a market participant has a concern about how their broker handled their order, the market participant should reach out to its broker directly. Alternatively, any market participant can file a complaint with the Cboe Regulatory Division with its concerns about orders or trades executed on Cboe on this form:

[U.S. Regulatory Complaints, Tips and Referrals Form.](#)