



Information Circular IC05-69

DATE: June 7, 2005

TO: Members, Member Organizations and Clearing Firms  
FROM: Curt Schumacher, CTO  
SUBJECT: CBOE's Disaster Recovery Site

CBOE has begun a project to implement a remote disaster recovery site. The initial focus of the disaster recovery site will be trading CBOE's Exclusively Listed Options (ELOs) in the event the facilities at 400 S. LaSalle become unavailable. CBOE plans to be able to trade ELOs from the disaster recovery site during the 4th quarter, 2005. CBOE currently has arrangements in place with the Philadelphia Stock Exchange (Phlx) that provide for back-up trading facilities at Phlx for CBOE's ELOs and singly listed options. Members will be able to send orders in multiply listed options to the other options exchanges as is currently the case today. CBOE's longer-term ultimate objective is to implement enhancements to CBOE's disaster recovery site to preserve the market place for all of CBOE's products.

The following is an overview describing CBOE's disaster site.

### Approach

- Trading platform will be Screen Based Trading using CBOEdirect.
- Disaster recovery will be on a next day basis.
- Connectivity to external entities (quote providers, order providers, clearing firms, SIAC, OCC) will be available.
- CBOE's new trade match system will be the Trade Match engine at the disaster site.
- Firms will have access to the Trade Match terminal screens through connection to the Internet for viewing trade data, making corrections and allocating trades.
- Firms will have access to matched and unmatched trade reports through Document Direct from the Internet.
- The following is a list of CBOE's ELO products planned for the first phase.

ELO Name	Symbol
American-Style S&P 100 Index Options	OEX
Options on Diamonds	DIA
Dow Jones Industrial Average Options	DJX
S&P 500 Index Options	SPX
European-Style S&P 100 Index Options	XEO

### Connectivity Alternatives

CBOE will offer firms several options for connecting to the disaster site in two general categories:

#### 1) CBOEconnect

- CBOEconnect is CBOE's managed secure WAN service currently using Savvis as the service partner; CBOE will provide the required service to the firm site.

## 2) Extranet

- Currently SFTI is certified to provide the extranet connectivity; CBOE will inform the firms as other providers become certified for the disaster site.
- The extranet service provider is responsible for the management of the connection between the firm and CBOE.

The following are bandwidth guidelines:

- For quote providers - T1 service (1.54 Mbps).
- For order providers and COMPASS Trade Records - 128Kb service.
- For TCP/IP RTC – minimum of 64Kb.

### Trade Match Connectivity Alternatives

- Firms requiring real-time trade copies (RTC) must convert to the TCP/IP version of RTC.
- Firms submitting trade records via COMPASS TP25 messages must convert to the TCP/IP version of this interface. Firms can convert to the real-time trade feed process from CBOE's ORS system as an alternative for submitting trades at the disaster site.

### Testing

CBOE plans to provide testing support beginning in October 2005 for firms participating at the disaster site.

### Contact Information

Area	Name	Phone Number	Email Address
CBOE Disaster Site Liaison	Dushone Embrey	(312) 786-8816	<a href="mailto:cboedr@cboe.com">cboedr@cboe.com</a>
CBOE Disaster Site Trade Match Liaison	Charlie Hullihan	(312) 786-7176	<a href="mailto:cboedr@cboe.com">cboedr@cboe.com</a>

### Firm's Follow-up Action Items

Contact the CBOE Disaster Site Liaison for general disaster recovery information and connectivity. Contact via phone, email or letter should be received by June 30, 2005 so that we can obtain the correct contact information (name, phone number, email address of the main contact) and begin discussion on the following:

- Connectivity Plan (CBOEconnect, Extranet, Other)
- Trade Match Connectivity Plan

To ensure a fully functional disaster site, it is imperative that all external interfaces are connected to the disaster site. Therefore, CBOE is encouraging all firms with current connectivity to CBOE to establish a connection to the new disaster recovery site.