

CBOE Information Circular IC14-035 CFE Information Circular IC14-023

Date: April 8, 2014

To: Volatility Index Derivatives Market Participants

From: Research and Product Development Department

RE: Dissemination of Spot (Cash) Volatility Index Values on Expiration Days for Volatility Index Derivatives

This circular updates CBOE Information Circular IC13-068 and CFE Information Circular IC13-037

As the calculator of volatility indexes that underlie options, futures and security futures (including the CBOE Volatility Index (VIX)), Chicago Board Options Exchange, Incorporated (CBOE) has an established general practice regarding the timing of disseminating spot (cash) 30-day volatility index values on expiration days for derivatives on those indexes. This circular is being issued to address expiration days when 30-day volatility index and CBOE Short-Term Volatility (VXST) derivatives expire on the same day and expiration days when only VXST derivatives expire.

30-Day Volatility Index and VXST Derivative Expiration Days

When the exercise / final settlement value for 30-day volatility index and VXST derivatives occurs on the same day, CBOE will not begin disseminating spot (cash) values for VIX, VXST or any other volatility index that CBOE calculates until the S&P 500 index option (SPX) series that CBOE will use to calculate the exercise settlement and final settlement value for expiring VIX options and futures have opened. After the constituent SPX series have opened, CBOE will begin disseminating spot (cash) values for all volatility indexes.

VXST Derivative Expiration Days

On days when only VXST derivatives expire, CBOE will not begin disseminating the spot (cash) VXST value until the S&P 500 Index option series that CBOE will use to calculate the exercise / final settlement value for expiring VXST options and futures have opened. The spot (cash) values for 30-day volatility indexes will not be impacted on these days, and CBOE will begin disseminating the spot (cash) value of each 30-day volatility index once the option series used to calculate the particular index have opened.

Additional Information

Please contact Bill Speth at spethw@cboe.com and (312) 786-7141 for additional information.