



400 S. La Salle  
Chicago, IL 60605

Regulatory Circular RG08-30

Date: February 15, 2008

To: CBOE Members

From: CBOE Trading Operations

Re: Hybrid Opening System (HOS) Allocation

Pursuant to Rule 6.2B(g), Floor Officials have determined to modify the Hybrid Opening System (HOS) procedure in all classes as it applies to the treatment of Market (MKT) orders to sell in series that will open at a minimum price increment (e.g., at a price of \$0.05 or, in penny series, at a price \$0.01).

For such series, HOS will open even if a market order imbalance exists (and the provisions of Rule 6.2B(f) respecting market order imbalances shall not apply). In the event an imbalance does exist, MKT sell orders will have priority over limit orders to sell at the minimum increment, and the MKT orders will be filled in time priority sequence.

We want to make sure participants are aware of the modified opening procedure, especially as it applies to openings on VIX, VXN and RVX settlement days.

Questions regarding this change may be directed to Anthony Montesano at (312) 786-7365 [montesan@cboe.com](mailto:montesan@cboe.com), or the Help Desk at (312) 786-7100 [helpdesk@cboe.com](mailto:helpdesk@cboe.com).