

## Regulatory Circular RG13-011

**Date:** January 15, 2013

**To:** Trading Permit Holders  
**From:** Regulatory Services Division  
**RE:** Multi-Class Broad-Based Index Spread Orders

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Certain clarifying changes and obligations under CBOE Rule 24.19 (Multi-Class Broad-Based Index Spread Orders) have recently become operative. These changes were made pursuant to Rule Change Filing No. SR-CBOE-2012-117, which is available for review on CBOE's website ([www.cboe.org/legal](http://www.cboe.org/legal)).

Specifically, the following changes were made:

- 1) The rule was amended to clarify that the term "Multi-Class Broad-Based Index Option Spread Order" may refer to either an order **or** a quote;
- 2) The rule was amended to include *appropriate Exchange staff* (e.g., PAR Officials or Trading Officials) as a Recipient for whom the Trading Permit Holder ("TPH") initiating the Multi-Class Spread Order must contact at the other trading station (hereinafter referred to as "Secondary Trading Station");<sup>1</sup>
- 3) The rule was amended to clarify that the Recipient (OBO, DPM or appropriate Exchange staff) in the Secondary Trading Station must verbalize the terms of the Multi-Class Spread Order to the trading crowd; and
- 4) The rule was amended to codify the obligation of the Recipient (OBO, DPM, or appropriate Exchange staff) in the Secondary Trading Station to properly document the terms of the order. The Recipient must also maintain such record in a manner in which it can be reasonably accessed and provided for upon request by the CBOE Regulatory Services Division.

In order to contact the appropriate Exchange staff Recipient, immediately after the order is announced at the primary trading station or concurrent with the announcement, the TPH must call Ext. 4848 to have a notice of such order disseminated promptly to the Secondary Trading Station. Such notice shall be disseminated by the Recipient, who shall verbalize the terms of the order to the other trading crowd, as well as specify a contact person and a telephone number where the TPH representing the order may be reached at the Primary Trading Station. As noted above, the Recipient shall also document the terms of the order.

### Additional Information:

Please refer to Rule 24.19 and SR-CBOE-2012-117 for further information. Please refer to Regulatory Circular RG12-113 for the complete list of classes currently eligible to participate in the multi-class broad-based index spread orders program under Rule 24.19. Please contact the Regulatory Interpretations and Guidance team at [RegInterps@cboe.com](mailto:RegInterps@cboe.com) or (312) 786-8141 for any additional information.

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<sup>1</sup> Pursuant to paragraph (b)(i) of Rule 24.19, immediately after the order is announced at the Primary Trading Station, or concurrent with the announcement, the TPH initiating the order must contact an OBO, the DPM, or appropriate Exchange staff, as applicable, at the Secondary Trading Station to have a notice of such order disseminated to the other trading crowd.