



EXECUTE SUCCESSSM

Regulatory Circular RG14-038

Date: March 25, 2014

To: Trading Permit Holders

From: Market-Maker and DPM Administration Department

RE: Reduced Appointment Cost of CBOE Volatility Index (VIX) Options

Chicago Board Options Exchange, Incorporated (Exchange) recently amended Rule 8.3(c)(i) to reduce the appointment cost of VIX options.¹ Currently, VIX options are part of Tier AA and have a fixed appointment cost of .50. Effective Tuesday, April 1, 2014, the appointment cost of VIX options will be lowered to .499. The Exchange is reducing the appointment cost in VIX options to incentivize and allow market-makers with a current appointment in VIX options to also trade options on the CBOE Short-Term Volatility Index (VXST), which are anticipated to be listed in April 2014, and will have an initial appointment cost of .001.

Trading Permit Holders are advised that any market-maker trading permit used for an appointment in VXST options will be excluded from the Market-Maker Trading Permit Sliding Scale program.

Additional Information:

Please contact Allison Kile at kilea@cboe.com or (312) 786-7210 for any questions regarding this circular.

¹ See [SR-CBOE-2014-024](#).