

Regulatory Circular RG16-067

Date: March 31, 2016

To: Trading Permit Holders

From: Business Development Division

RE: Solicitation for Designated Extended Trading Hours (ETH) Executing Agents

Effective May 2, 2016 and pending SEC approval, CBOE will commence a program pursuant to which it may appoint Trading Permit Holders (TPHs) (with either a Regular Trading Hours or ETH trading permit) that have a staffed ETH agency brokerage operation as Designated ETH Executing Agents. Under the program, each Designated ETH Executing Agent will be eligible to receive a \$5,000 credit for each month in which it executes at least 1,000 contracts during ETH (an average of 50 contracts per ETH trading session).

To receive the credit, within two business days following the end of a calendar month, a Designated ETH Executing Agent must submit to the Exchange (in a form and manner determined by the Exchange) all necessary information demonstrating its qualification for the credit that month, including documentation and other evidence the executing agent:

- executed at least 1,000 agency contracts in ETH during that month; and
- maintained a physically staffed agency brokerage operation throughout each entire ETH trading session that month, which operation accepted and executed orders on behalf of customers regardless of whether they have domiciled accounts with the Designated ETH Executing Agent (i.e., accept and execute all CMTAs valid during ETH).

CBOE is currently accepting applications and will appoint up to three (3) Designated ETH Executing Agents under this program for a six-month term. CBOE will review and evaluate the applications and appoint Designated ETH Executing Agents based on various factors, including: adequacy of capital, adequacy of staffing to support the ETH agency brokerage operation, experience in trading options listed during ETH, adherence to Exchange rules, volume, capacity, operational factors, and efficiency.

Interested TPHs must indicate their interest in applying as a Designated ETH Executing Agent no later than **3:00 pm Friday, April 22, 2016** by contacting Allison Kile of the Competitive Analysis Department at kilea@cboe.com.

Additional Information:

Please contact Allison Kile at (312) 786-7210 or kilea@cboe.com for additional information.