

## CBOE Regulatory Circular RG17-027

**Date:** February 17, 2017

**To:** Trading Permit Holders

**From:** Research

**RE:** February 2017 Compression Forums

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### February Compression Forum Hours

Pursuant to Rule 6.56, the Exchange will make the open outcry “compression forum” feature available on the final three business day of every calendar month to facilitate closing-only transactions in series of S&P 500 Index options, including on February 24, 27 and 28, 2017 from 10:00 am CT to 2:00 pm CT.<sup>1</sup>

### Compression Forum Fee Rebate

Subject to qualifications described in Rule 6.56 and applicable provisions under footnote 41 of the Exchange’s Fees Schedule, the Exchange will rebate transaction fees (including the Index License Surcharge) incurred on compression transactions for positions that are submitted to the Exchange before the end of Regular Trading Hours on the fourth-to-last business day of the month (“compression-list positions”). **Please note that compression position lists must be received by the Exchange via email at [compressiontrades@cboe.com](mailto:compressiontrades@cboe.com) by 3:15 pm (CT) on Thursday, February 23, 2017 in order to qualify for the February rebate. Please also note that the lists must include the information prescribed in Regulatory Circular RG16-203.** Transaction fees for qualifying compression trades (up to the quantity indicated on the compression position lists for each series), including the Index License Surcharge will be eligible for rebate provided a rebate request form with supporting documentation (as provided in Regulatory Circular RG16-203) is submitted to the Exchange within 3 business days of the transactions. Please see refer to the “Additional Information” below for additional information on the applicable requirements.

### Non-Compression Forum Fee Rebate

Pursuant to a separate program under footnote 41 of the Fees Schedule that is distinct from the Compression Forum Fee Rebate, the Exchange will rebate transaction fees on SPX, SPXW and SPXPM transactions not executed in a Compression Forum, provided they meet the following conditions:

- (i) involves a complex order with at least five (5) different series in S&P 500 Index (SPX) options, SPX Weeklys (SPXW) options or p.m.-settled SPX options (SPXPM),
- (ii) is a closing-only transaction or, if the transaction involves a Firm order (origin code “F”), is an opening transaction executed to facilitate a compression of option positions for a market-maker or joint-back office (“JBO”) account executed as a cross pursuant to and in accordance with CBOE Rule 6.74(b) or (d);
- (iii) is a position with a required capital charge equal to the minimum capital charge under Option Clearing Corporation’s (“OCC”) rules RBH Calculator or is a position comprised of option series with a delta of ten (10) or less and
- (iv) is entered on any of the final three (3) trading days of any calendar month.

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<sup>1</sup> See CBOE Regulatory Circular [RG16-203](#) (Operational Procedures for Open Outcry “Compression Forum”) for information on the procedures for participating in a compression forum.

### **Rebate Request Form Submission**

Rebate requests for either of these two rebates must be submitted to the Exchange at [DividendRebate@cboe.com](mailto:DividendRebate@cboe.com) with a completed Strategies Rebate Form and supporting documentation (see Regulatory Circular RG16-203) within 3 business days of execution of a rebate-eligible transaction. The Strategies Rebate Form is available at [http://www.cboe.com/publish/feeschedule/div-merger-ssi\\_spread\\_rebate\\_form.xls](http://www.cboe.com/publish/feeschedule/div-merger-ssi_spread_rebate_form.xls).

### **Additional Information:**

For more information regarding compression trades and compression forums generally, as well as the related fee rebate program, please refer to Rule 6.56, footnote 41 of CBOE's Fees Schedule and Rule Filings [SR-CBOE-2016-090](#) and [SR-CBOE-2016-094](#).

For more information on the non-compression forum rebate, please refer to footnote 41 of the Fees Schedule and Rule Filings [SR-CBOE-2015-117](#) and [SR-CBOE-2016-074](#).

For questions on how to complete and submit the Strategies Rebate Form or supporting documentation, please contact Bill Speth at [spethw@cboe.com](mailto:spethw@cboe.com) or (312) 786-7141, John Hiatt at [hiattj@cboe.com](mailto:hiattj@cboe.com) or (312) 786-7779, or Joe Green at [greenj@cboe.com](mailto:greenj@cboe.com) or (312) 786-7909.

Additional questions may be referred to the Regulatory Interpretations team at [RegInterps@cboe.com](mailto:RegInterps@cboe.com) or (312) 786-8141.