EXECUTE SUCCESS℠

Regulatory Circular RG13-031

Date: February 25, 2013

To: Trading Permit Holders
From: CBOE Help Desk
RE: Bid-Ask Differentials

This Regulatory Circular updates and replaces RG13-018

CBOE's rules allow it to set the bid-ask differential requirements on a class by class basis. CBOE will announce the bid-ask differentials via Regulatory Circular. Except as provided below, the current differentials for all option classes are set forth on page 2 of this Regulatory Circular.

Requests for bid-ask relief on a class by class basis should be directed to the CBOE Help Desk. Requests must include an explanation as to why bid-ask relief is needed. Please note that if a particular option class was granted bid-ask relief through an expiration period and the relief is greater than the below bid-ask differentials, the relief granted will continue through the expiration period.

Additionally, due to the volatility in the underlying stocks and other factors affecting both the options and the underlying, CBOE by its authority under the provisions of Exchange Rule 8.7(b)(iv), has temporarily established modified bid/ask differentials in the option series of the following option class(es).* This relief is granted from the opening of business on February 26, 2013 through March 15, 2013 unless withdrawn by the CBOE prior to that time.

	Class	Relief For Near Term Options	Relief for LEAPS Options	Name
1	KYAK	2.0*	2.0*	Kayak Software Corporation

** Relief granted is 2x the current bid-ask differential requirement specified on page 2 for opening rotation only. Open outcry and intraday electronic quoting widths apply unchanged.*

CBOE granted this relief with the contingency that the disseminated markets in these classes will be competitive and in many instances will be narrower than the relief granted below. CBOE will continue to monitor the activity in the underlying securities of these options, and will modify the bid/ask differentials in the respective options accordingly.

		1	2	3	4
		All classes excluding LEAPS, NDX, RUT, SPX, SPXPM, UltraShorts & UltraLongs	**LEAPS, NDX, RUT, SPX and SPXPM**	**UltraShorts and UltraLongs**	**Short Sale Circuit Breaker in Effect[1]**
A	**Opening Rotation & Open Outcry Quote Widths**	$0.50 if the bid is less than $2, $0.80 where the bid is at least $2 but does not exceed $5, $1.00 where the bid is more than $5 but does not exceed $10, $2.00 where the bid is more than $10 but does not exceed $20 $3.00 where the bid is more than $20 but does not exceed $50, $5.00 where the bid is more than $50 but does not exceed $100, $8.00 where the bid is more than $100 but does not exceed $200, and $12.00 where the bid is more than $200	2x Row A Column 1	$10 wide, unless the bid is more than $200, in which case the bid-ask differential is $12 wide.	3x Row A Column 1, 2 or 3, as applicable
B	**Intraday Electronic Quoting Widths**	$5 where the bid does not exceed $100, $8.00 where the bid is more than $100 but does not exceed $200, and $12.00 where the bid is more than $200	2x Row B Column 1	$10 wide, unless the bid is more than $200, in which case the bid-ask differential is $12 wide	3x Row B Column 1, 2 or 3, as applicable

The bid-ask differentials do not apply to at-the-money or in-the-money series where the quote width on the primary market of the underlying security, or the quote width calculated by the Exchange or its agent for various indices, is wider than the differentials set forth above. For these series, the bid-ask differential may be as wide as the quote width on the primary market of the underlying security or calculated by the Exchange or its agent, as applicable. "In-the-money series" are defined as follows: for call options, all strike prices below the offer or last sale in the underlying security (whichever is higher); and for put options, all strike prices above the bid or last sale in the underlying security (whichever is lower).

Additional Information:

Please contact John Haffner at Haffner@cboe.com or Jim Corsey at corseyj@cboe.com and (800) 405-3277 or for additional information regarding bid-ask relief.

[1] The bid-ask differentials may be 3x wider for the option class overlying an NMS stock while the underlying stock is subject to a short sale circuit breaker under Rule 201 of Regulation SHO under the Exchange Act. The bid-ask differentials shall set forth in Column 1, 2 or 3 above, as applicable, shall recommence once the short sale circuit breaker is no longer in effect for the underlying NMS stock. *For example*, when a circuit breaker is triggered in the underlying stock XYZ, the $0.50 opening rotation and open outcry quoting width requirement if the bid in an XYZ option series is less than $2 will change to $1.50, then revert back to $0.50 once the circuit breaker is no longer in effect.