



#36321

TO: ALL CLEARING MEMBERS

FROM: MEMBER SERVICES

DATE: FEBRUARY 27, 2015

SUBJECT: CLARIFICATION ON OPTION CMTA TRANSFERS FOR ETH

As mentioned in Information Memo 36283, OCC will support Extended Trading Hours (ETH) for CBOE's expansion of trading hours for options on the S&P 500 Index and on the CBOE S&P 500 Volatility Index. Clearing Members must be approved to participate in ETH.

If trading activity occurs and firms are not approved, OCC will pend the trade and contact the exchange to make sure it is valid trading activity. If valid, OCC will then contact the firm to validate the activity. OCC will follow through on the next business day and investigate potential rule violations.

For CMTA trades during ETH, if the give-up firm is not ETH approved, the trades will default and clear in the executing firm's account. **Executing firms should not transfer the trades until the regular trading session. Any CMTA transfers entered which are associated to ETH activity may result in a rule violation to the give-up firm if they are not approved for ETH. Executing firms can transfer the trades when regular trading session begins.**

If you have any questions, please contact your Clearing Member representative or the Member Services Help Desk at the following numbers: 800-621-6072 or 800-544-6091. Within Canada, please call 800-424-7320. Clearing Members may also e-mail us memberservices@theocc.com.