



**#38535**

**DATE: MARCH 3, 2016**

**SUBJECT: NEW PRODUCT: ASIAN AND CLIQUET OPTIONS**

The Chicago Board Options Exchange (“CBOE”) plans on launching Asian and Cliquet Flex Index Options on March 21, 2016. Both Asian and Cliquet options are European–style PM settled, and will be treated like any other European flex options. At launch date CBOE expect to list, but not limited to, S&P 500 Index (SPX), Nasdaq-100 Index (NDX), Russell 2000 Index (RUT), CBOE Dow Jones Industrial Average (DJX), CBOE Mini S&P 500 Index (XSP), MSCI EAFE Index (MXEA) and MSCI Emerging Markets Index (MXEF).

Asian and Cliquet Index Flex options will be available for trading during standard CBOE trading hours. They will not be available during extended trading hours.

Full product contract information on Asian and Cliquet options can be found on the CBOE website at <http://www.cboe.com/institutional/asian-cliquet-options.aspx>

### **Settlement Price/Expiration**

Asians and Cliquet index options have a term of approximately one year with 12 observation dates which are used to calculate the settlement value.

The exercise settlement price used for Asian S&P 500 and Cliquet flex options will be calculated by CBOE and provided to OCC.

Asian and Cliquet options will be automatically exercised on the expiration date if they are in the money by .01. They settle for cash based on the difference of the strike price and exercise settlement value.

### **Symbology**

Asian index options will use a 5 character symbol starting with 5. For example, 5SPXJ. They include the flex indicator, index symbol, and observation day.

Cliquet index options will use a 6 character symbol starting with 6. For example, 6SCKJE. They include the flex indicator, index indicator, cap percentage, the observation day and creation day.

## DDS

Clearing Members who would like to receive DDS sample messages on Asian and Cliquet options can contact their clearing member representative. Below is a sample of the SecDef and SecList Update message.

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If you have any questions regarding this memo or would like sample messages, please contact Member Services Help Desk at the following numbers: 800-544-6091 or 800-621-6072. Within Canada, please call 800-424-7320. Clearing Members may also e-mail us at [memberservices@theocc.com](mailto:memberservices@theocc.com).