



Circular number:	ISE: 2014-017 ISE Gemini: 2014-023	Contact:	Russ Davidson Surveillance Officer
Date:	August 20, 2014	Telephone:	(646) 805-1857

Subject: Bid/Ask Differentials Prior to the Opening Rotation

ISE and ISE Gemini Rule 803(b)(4) requires market makers to maintain narrow bid/ask spreads prior to the opening rotation. Effective August 25, 2014 and until further notice, market makers may maintain bid/ask differentials prior to the opening rotation as set forth below, which is double the current requirement.

All Classes (Excluding LEAPS and NDX)

- \$0.50 if the bid is less than \$2
- \$0.80 if the bid is at least \$2 but less than \$5
- \$1.00 if the bid is at least \$5 but less than \$10
- \$1.60 if the bid is at least \$10 but less than \$20
- \$2.00 if the bid is at least \$20

LEAPS (Double the Legal Width)

- \$1.00 if the bid is less than \$2
- \$1.60 if the bid is at least \$2 but less than \$5
- \$2.00 if the bid is at least \$5 but less than \$10
- \$3.20 if the bid is at least \$10 but less than \$20
- \$4.00 if the bid is at least \$20

For NDX Only

- \$1.50 if the bid is less than \$2
- \$2.00 if the bid is at least \$2 but less than \$5
- \$3.00 if the bid is at least \$5 but less than \$10
- \$6.00 if the bid is at least \$10 but less than \$20
- \$12.00 if the bid is at least \$20 but less than \$40
- \$24.00 if the bid is at least \$40 but less than \$80
- \$36.00 if the bid is at least \$80 but less than \$200
- \$44.00 if the bid is at least \$200

Please note that:

- Prior to the opening rotation, market makers may enter quotations for in-the-money (“ITM”) options series as wide as the spread between the National Best Bid and Offer (“NBBO”) in the underlying security where the underlying security’s NBBO is wider than the differentials set forth above.
- ISE and ISE Gemini will continue to grant daily exemptions on a class by class basis for high volatile symbols. Market makers must request exemptions before 9:15 A.M. EST.