



MARKET INFORMATION CIRCULAR



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Subject: Market Wide Speed Bump

The purpose of this Market Information Circular (MIC) is to announce that effective Tuesday, February 18, 2014, ISE and ISE Gemini will implement a new mandatory risk management feature for Market Makers, the Market Wide Speed Bump (MWSB).

The MWSB will allow ISE and ISE Gemini Market Makers to better manage risk across each of the markets. The MWSB will remove a market maker's quotes automatically across all products and will prevent new quotes from being accepted if the specified number of curtailment events occurs within the specified time period. This new mandatory risk management feature supplements existing functionality which requires Market Makers to set curtailments on a class-by-class basis.

Market Wide Speed Bump Behavior:

- Inactivates quotes and prevents new or existing quotes from being activated
- Triggered based on a value, which is defined as the number of curtailment events within a specified time period across the entire market
- Value defined by the Market Maker and implemented by Market Operations
- Threshold established and calculated for the ISE and ISE Gemini markets, independently
- Quote reactivation and re-entry into the market requires contacting Market Operations
- Mandatory for all Market Makers

Market Makers are required to define the MWSB values and identify the designated authority for market re-entry. Please contact Market Operations at 1-877-473-9989 or helpdesk@ise.com to fulfill these requirements by February 14, 2014.