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## Regulatory Circular RG00-115

Date: July 28, 2000

To: Members and Member Firms

From: Trading Operations

Re: Capability for Firms to Set a RAES Size Within a Class

Effective July 28<sup>th</sup>, the CBOE will implement a software modification which will allow the RAES size to be adjustable by firm within a given class. Current CBOE rules will allow a firm to select a volume parameter for RAES which is smaller than the applicable RAES volume limit established as the default by the trading crowd.

### **HIGHLIGHTS**

- The new RAES volume parameter, if used by a firm, will apply only to incoming wire orders that would otherwise be RAES-eligible. If the order quantity exceeds the firm's specified RAES volume for the class, the order will not be automatically executed, and will instead route to PAR or BART, based on the firm's ORS parameters.
- BART orders that are re-routed using the <ORS> button will be RAES-eligible if the order quantity is less than or equal to the greater of the firm's specified RAES volume or the crowd default RAES volume.
- BERS orders will be RAES-eligible if the order quantity is less than or equal to the greater of the firm's specified RAES volume or the crowd default RAES volume.
- Live Ammo orders re-routed using the <F9> button will be RAES-eligible if the order quantity is less than or equal to the greater of the firm's specified RAES volume or the crowd default RAES volume.

Firms requesting to specify a RAES volume which differs from the default RAES volume in a particular class must contact the CBOE Help Desk to implement the change. Those firms wishing to observe the default RAES volume do not need to notify the Exchange, and for them, this change will be transparent.

If you have any questions regarding this modification, please contact Anthony Montesano at (312) 786-7365, or the CBOE Help Desk at (312) 786-7100.