

Regulatory Circular RG02-29

Date: April 23, 2002

To: Membership

From: Department of Market Monitoring

Re: DPM Clerk Administrative and Operational Policies

Members and their personnel are reminded to strictly adhere to established rules and procedures in the operation of DPM floor systems, in particular, the Floor Broker Workstation ("PAR"), as provided previously in Regulatory Circular RG01-25 and as detailed below:

- DPM clerks are allowed to Book, with the knowledge of the DPM member, all orders from PAR which are eligible to be Booked, even if the order being Booked changes the market.
- DPM clerks may announce to the crowd the size available at a given price, but must not make a bid or offer in representation of a PAR order.
- DPM clerks may announce crossable or marketable orders on PAR to the DPM member and the crowd, however, the DPM member must actually execute these orders.
- DPMs also are reminded that all Book eligible orders on PAR that are not immediately executable must be Booked, unless the customer who placed the order has requested that the order not be Booked. In this situation, upon receipt of the order, the DPM must announce the information concerning the order that would be displayed if the order were a displayed order in the Book.

Any violations of these practices will be immediately referred to the Regulatory Division for investigation. As previously detailed in Regulatory Circular RG01-026, disciplinary sanctions will be imposed upon members as well as contra parties to any transaction improperly effected or attempted by or with a clerk.

Any questions regarding this memorandum should be directed to the Department of Market Monitoring, Douglas Beck at (312) 786-7959 or Karen A. Charleston at (312) 786-7724.