

Regulatory Circular RG02-92

Date: November 4, 2002

To: Members and Member Organizations

From: Equity Floor Procedure Committee
Index Floor Procedure Committee
SPX Floor Procedure Committee

Re: Use of Communication/Computer Systems in Trading Crowds

Any installation or use in a trading crowd of a communication and/or computer device or system which has analytic functions, position management functions, order or trade entry capabilities and/or the ability to receive and transmit data or information must be approved by the Floor Procedure Committee with jurisdiction over that trading crowd. This includes, but is not limited to, analytic computers, stock order entry terminals and proprietary market-maker hand held terminals.

Thus, the approval of the Equity Floor Procedure Committee must be obtained in order to use such a system in an equity option trading crowd, the approval of the Index Floor Procedure Committee must be obtained to use such a system in the OEX, XEO, OEF, MNX, NDX, QQQ, DJX, or DIA trading crowds and the approval of the SPX Floor Procedure Committee must be obtained to use such a system in the SPX trading crowd.

Any installation or use of such a system in a trading crowd without this required approval is a violation of Exchange Rule 6.23 – Member Wires from the Floor.

Any member who desires to obtain approval to install or use a communication and or computer system in a trading crowd or crowds and who has not already obtained such approval from the appropriate Floor Procedure Committee(s) must complete a Communication/Computer System Application and Agreement form which may be obtained from the Telecommunications Service Center located on the fourth floor of the Exchange. Completed forms should be submitted to the same location.

Any member who has obtained approval to use such a system must also promptly file with the Telecommunications Department, a supplement to the Communication /Computer System Application and Agreement form whenever the information on file with the Exchange becomes inaccurate or incomplete for any reason. Accordingly, if a member ceases to use an approved system, the member must report this to the Telecommunications Department.

Any questions regarding this circular may be directed to Fred Mondt in the Exchange's Department of Telecommunications at (312) 786-7228 or to Karen Calvin at (312) 786-7759.