



Regulatory Circular RG03-38

Date: June 11, 2003

To: Members

From: Regulatory Services Division

Re: Systematization of Orders in Equity Option Classes

❖ NEW REGULATORY REQUIREMENT EFFECTIVE AUGUST 29, 2003

On April 3, 2003, the Exchange issued Regulatory Circular RG03-25 advising members that the SEC had imposed a deadline of June 11, 2003, for CBOE and the other options exchanges to incorporate into a consolidated options audit trail system ("COATS") all non-electronic orders in all equity option classes, including the QQQ option class.

Please be advised that CBOE and the other options exchanges have been granted an extension of time until August 29, 2003, to comply with this new regulatory requirement. CBOE intends to comply with this requirement by adopting changes to Rule 6.24 which will require that each order received on the CBOE, whether executed or not and including any cancellation or change to an order, be immediately "systematized" upon receipt on the floor of the CBOE. (*See* SR-CBOE-2003-18.)

If you have any questions, please contact Pat Cerny (312) 786-7722 or Margaret Williams (312) 786-7834.