



Regulatory Circular RG04-31

To: Membership

From: Equity Market Performance Committee

Date: March 1, 2004

Re: \$5 Quote Widths Expanded to All Hybrid Classes

Effective March 1, 2004, the permissible bid-ask differential in all Hybrid classes will be \$5.00 regardless of premium value. Previously, the ability to quote \$5.00 wide applied only to the Top 200 classes. In Hybrid classes, therefore, a \$1.00 - \$6.00 quote will be permissible, however, a \$1.00 - \$6.20 quote will not.

Opening rotation quotes **MUST** meet current legal-width requirements.¹ After the open, quotes may be \$5 wide. This means that market makers cannot quote \$5 wide during the open.

Questions regarding the program should be addressed to Daniel Hustad at (312) 786- 7715 or to any member of the Equity Market Performance Committee.

¹ Per Rule 8.7(b)(iv), the allowable bid-ask differentials are: \$0.25 for options under \$2, \$0.40 for options between \$2 and \$5, \$0.50 for options between \$5 and \$10, \$0.80 for options between \$10 and \$20, and \$1.00 for options above \$20.