



400 S. La Salle
Chicago, IL 60605

Regulatory Circular RG04 -67

Date: June 15, 2004

To: CBOE Members

From: Equity Floor Procedure Committee

Re: Hybrid Quote Lock Timer

Beginning June 22, 2004, the CBOE pursuant to Rule 6.45A(d) will reduce the quote lock timer in all equity hybrid classes to one second (from the current four seconds). In these classes, when a lock occurs, lock notification messages will be sent to the involved participants immediately. If at the expiration of one second quotes are still locked, the quotes will automatically execute against each other for the full amount of the smaller of the two (locked) quote sizes. The quote lock timer for the top 200 classes is already set at one second.

Questions regarding this change may be directed to Anthony Montesano at (312) 786-7365 or Carole Zylius (312) 786-7174.