Regulatory Circular RG04 - 128

Date: December 21, 2004

To: Members

From: CBOE

Re: Wireless Systems in the Trading Crowds

The Exchange has recently become aware that members are using wireless routers on computer and communication systems ("System") located on the Exchange floor that have not been approved by the Exchange. The Exchange is reminding all members that completion of a Communication/Computer System Application and Agreement is required prior to the installation and use of a System on the Exchange floor. In addition, members must complete a Communication/Computer System Application and Agreement for a material change to the functionality or the proposed use of a System that has already been approved by the Exchange. Members who are using Systems in the trading crowds and who have not submitted a Communication/Computer System Application and Agreement to the Exchange for such Systems must submit an agreement to the Telecommunications Department.

Completion of Communication/Computer System Application and Agreements by Exchange members is essential to ensure that use of the System does not jeopardize the integrity and proper functioning of other members' Systems, as well as the Exchange's proprietary systems. Exchange review of the Communication/Computer System Application and Agreements also allows the Exchange to determine the proper radio frequency or frequencies and radio frequency capacities that should be allocated to the member's System.

Communication/Computer System Application and Agreements are available at the Telecommunications Service Center, 4th Floor. Please contact 786-7611 for further assistance. Any questions regarding this circular may be directed to Fred Mondt of the Telecommunications Service Department at 786-7228.