



Regulatory Circular RG05-017

TO: CBOE Members
FROM: Regulatory Services Division
DATE: February 11, 2005
RE: Autobook

Autobook is an enhancement to the DPM's PAR workstation that will automatically facilitate the entry of eligible customer limit orders into the limit order book at the end of a configurable period of time provided such limit orders have not previously been addressed manually by the DPM.

The appropriate floor procedure committee will be responsible for establishing the Autobook timer in all classes under that Committee's jurisdiction, and the timer may not exceed the 30-second customer limit order display requirement. The Equity Floor Procedure Committee has set the timer to :05 seconds.

Activation/Deactivation. A DPM must maintain and keep Autobook active on the DPM PAR workstation at all times. A DPM may only deactivate Autobook provided Floor Official approval is obtained. The DPM must obtain such approval no later than three minutes after deactivation. If the DPM does not receive approval within three minutes after deactivation, the Exchange will view the matter as a regulatory issue. Floor officials will grant approval only in instances when there is an unusual influx of orders, movement of the underlying that would result in gap pricing or other unusual circumstances where automatic display of orders would not result in diligent handling.

Deactivating Autobook in contravention of Exchange Rules may result in disciplinary action by the Business Conduct Committee under Chapter XVII of the Rules.

Any questions regarding Autobook may be directed to Tim MacDonald at (312) 786-7706 or John Kissane at (312) 786-8107.

(Replaces RG03-30)