



Date: February 18, 2005

To: All Exchange Members

Regulatory Circular RG05-22

From: Equity Option Procedure Committee
Index Floor Procedure Committee
SPX Floor Procedure Committee

Re: Instant Messaging and E-mail Policies

The Equity Option Procedure Committee and the Index Floor Procedure Committee have approved the use of instant messaging by member organizations via their proprietary hand held terminals and other proprietary computer and communications systems located in the trading crowds for the following classes:

| | |
|-----------------|------------------|
| Equity Options: | All classes |
| Indexes: | QQQ, MNX and NDX |

The Index Floor Procedure Committee will determine whether to allow instant messaging in other index crowds over which it has jurisdiction on a class-by-class basis. E-mail is currently permitted in equity option trading crowds and index trading crowds. With respect to the SPX, members must obtain the approval of the SPX Floor Procedure Committee prior to using E-mail and instant messaging in the SPX trading crowd. The SPX Floor Procedure Committee will consider requests to use E-mail and instant messaging on a case-by-case basis. Please note that orders may not be received via instant messaging and E-mail in any trading crowds.

Members are reminded that the use of a system to send instant messages and E-mail shall at all times conform to all applicable laws, rules, policies and procedures of the Securities and Exchange Commission and the Exchange in force at that time and to the provisions of the Exchange's Communication/Computer System Application and Agreement ("Agreement"). In particular, members and member organizations must maintain a record of any E-mail, instant message, or any other type of internet communication relating to the member's business that the member would ordinarily be required to maintain and preserve pursuant to SEC Rules 17a-3 and 17a-4. Please see Regulatory Circular RG04-111 for more information on record retention requirements.

Any member or firm who desires to obtain approval to install or use a computer or communication system for instant messaging or E-mail must complete an Agreement and submit the completed Agreement to the Exchange. Agreements may be obtained from the Telecommunications Service Center located on the fourth floor of the Exchange. Please contact 786-7611 for further assistance.

Any questions regarding this circular may be directed to Joanne Heenan-Hustad at (312) 786-7786.

Supersedes RG97-75