

Regulatory Circular RG05-62

(supersedes Regulatory Circular RG05-40)

INTER-EXCHANGE PROCEDURES IN VOLATILE MARKETS

FOR THIRD QUARTER 2005

As of July 1, 2005

CME (S&P 500® FUTURES)	NYSE ACTION	CBOT (DJIA <sup>SM</sup> FUTURES)	CBOE ACTION
60 POINTS (5%) BELOW PREVIOUS DAY'S SETTLEMENT			
<p><b>Limit comes into effect:</b> On CME opening (8:30 a.m.)</p> <p><b>Trading halt:</b> For 2 minutes if the offer is at limit 10 minutes after limit is reached or at 2:30 p.m.</p> <p><b>Limit no longer in effect:</b> After the 2 minute halt or, if no halt, 10 minutes after the limit is reached or otherwise at 2:30 p.m.</p>	<p><b>When the DJIA advances (or declines) 200 points from the previous day's close:</b> Index arbitrage orders for S&amp;P 500® component stocks must be entered with buy-minus (or sell-plus) instruction until the advance or decline returns to within 100 points from previous day's close.</p> <p>Discretionary actions include trading halts in individual stocks.</p>	<p>None required.</p>	<p>None required because of CME or CBOT limit or NYSE actions; discretionary actions include trading halts and suspensions.</p> <p>Except on the last business day before their expiration, CBOE normally will restrict exercise of American style, cash settled index options during any trading halt that occurs prior to 3:00 p.m. CBOE may restrict exercise in equity options (other than during the 10 business days before their expiration), but it normally will not do so because of trading halts.</p>
120 POINTS (10%) BELOW PREVIOUS DAY'S SETTLEMENT	1050 DJIA POINTS (10%) BELOW PREVIOUS DAY'S CLOSING VALUE	1050 POINTS (10%) BELOW PREVIOUS DAY'S SETTLEMENT	
<p><u>Under Normal Limits</u></p> <p><b>Limit comes into effect:</b> After the 55 point (5%) limit or at 2:30 p.m.</p> <p><b>Trading halts:</b> Trading will halt for the following time periods if the futures contract is limit offered under the following circumstances:</p> <p><b>During an NYSE trading halt:</b> Until NYSE ends its trading halt and 50% of the underlying stocks (capitalization weighted) have resumed trading.</p> <p><b>After 1:30 p.m., if no NYSE trading halt is declared:</b> For 2 minutes if the contract is limit offered 10 minutes after the limit is reached.</p> <p><b>Limit no longer in effect:</b> After a mandated futures trading halt.</p> <p>*****</p> <p><u>Under Second Day Limits</u> (those applicable on a day after the futures contract was limit offered at the 240 point (20%) level at the close of trading).</p> <p><b>Limit comes into effect:</b> After the 55 point (5%) limit, unless there is an NYSE trading halt, in which case only the 20% limit applies upon reopening.</p> <p><b>Trading halts:</b></p> <p><b>During an NYSE trading halt (regardless whether the futures contract is limit offered):</b> Until NYSE ends its trading halt and 50% of the underlying stocks (capitalization weighted) have resumed trading.</p> <p><b>If no NYSE trading halt is declared:</b> For 2 minutes if the contract is limit offered 10 minutes after the limit is reached or at 2:30 p.m.</p> <p><b>Limit no longer in effect:</b> After a mandated futures trading halt or, if no halt, 10 minutes after the limit is reached or otherwise at 2:30 p.m.</p>	<p><b>Trading halts:</b> Trading in all stocks halts for the following time periods when the DJIA reaches this value at the following times:</p> <p><b>Before 1:00 p.m.:</b> for one hour; <b>From 1:00 p.m. but before 1:30 p.m.:</b> for 30 minutes; <b>From and after 1:30 p.m.:</b> no mandated trading halt</p>	<p><b>Limit comes into effect:</b> On CBOT opening (7:20 a.m.).</p> <p><b>Trading halt:</b> If the futures contract is limit offered during an NYSE trading halt, futures trading will halt until NYSE ends its trading halt and 50% of the underlying stocks (capitalization weighted) have resumed trading.</p> <p><b>Limit no longer in effect:</b> After futures trading has resumed following an NYSE trading halt or at 1:30 p.m.</p>	<p><b>Because CME or CBOT limit is reached:</b> None required; discretionary actions include trading halts and suspensions (with the exercise restrictions described above).</p> <p><b>Because NYSE declares floor-wide circuit breaker halt:</b> Trading in all CBOE securities halted during NYSE circuit breaker halt (with the exercise restrictions described above).</p>

(OVER)

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INTER-EXCHANGE PROCEDURES IN VOLATILE MARKETS  
(continued)

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As of 7/1/05

CME (S&P 500 FUTURES)	NYSE ACTION	CBOT (DJIA FUTURES)	CBOE ACTION
180 POINTS (15%) BELOW PREVIOUS DAY'S CLOSING VALUE			
<p><b><u>Under Normal Limits</u></b></p> <p><b>Limit comes into effect:</b> After the 120 point (10%) limit.</p> <p><b>Trading halts:</b> For 2 minutes if the contract is at limit 10 minutes after limit is reached.</p> <p><b>Limit no longer in effect:</b> After any such 2 minute halt.</p> <p>*****</p> <p><b><u>Under Second Day Limits</u></b></p> <p><b>Limit comes into effect:</b> After the 120 point (10%) limit, unless there is an NYSE trading halt, in which case only the 20% limit applies upon reopening.</p> <p><b>Trading halts:</b></p> <p><b>During an NYSE trading halt (regardless whether the futures contract is limit offered):</b> Until NYSE ends its trading halt and 50% of the underlying stocks (capitalization weighted) have resumed trading.</p> <p><b>If no NYSE trading halt is declared:</b> For 2 minutes if the contract is limit offered 10 minutes after the limit is reached or at 2:30 p.m.</p> <p><b>Limit no longer in effect:</b> After a man-dated futures trading halt or, if no halt, 10 minutes after the limit is reached or otherwise at 2:30 p.m.</p>	None required; discretionary actions in-clude trading halts in individual stocks.		None required; discretionary actions include trading halts and suspensions (with the exercise restrictions described above).
240 POINTS (20%) BELOW PREVIOUS DAY'S SETTLEMENT	2100 DJIA POINTS (20%) BELOW PREVIOUS DAY'S CLOSING VALUE	2100 POINTS (20%) BELOW PREVIOUS DAY'S SETTLEMENT	
<p><b>Limit comes into effect:</b> After the 180 point (15%) limit or, when Second Day Limits are in effect, at 2:30 p.m. or after trading resumes following an NYSE trading halt.</p> <p>Limit remains in effect for the remainder of the trading day.</p> <p><b>Trading halt:</b></p> <p><b>(Normal Limits):</b> If the futures contract is limit offered during an NYSE trading halt.</p> <p><b>(Second Day Limits):</b> If there is an NYSE trading halt, regardless whether the futures contract is limit offered.</p> <p>Trading will resume when NYSE ends its trading halt and 50% of the underly-ing stocks (capitalization weighted) have resumed trading.</p> <p>Settlement value will not be less than the limit value, regardless of the value of the cash index.</p>	<p><b>Trading halts:</b> Trading in all stocks halts for the following time periods when the DJIA reaches this value at the following times:</p> <p><b>Before 12:00 p.m.:</b> for two hours <b>From 12:00 p.m. but before 1:00 p.m.:</b> for one hour <b>From and after 1:00 p.m.:</b> for the remainder of the day</p>	<p><b>Limit comes into effect:</b> After the 1050 point (10%) limit or at 1:30 p.m.</p> <p><b>Trading halt:</b> If the futures contract is limit offered during an NYSE trading halt, futures trading will halt until NYSE ends its trading halt and 50% of the underly-ing stocks (capitalization weighted) have resumed trading.</p> <p><b>Limit no longer in effect:</b> After futures trading has resumed following an NYSE trading halt.</p>	<p><b>Because CME or CBOT limit is reached:</b> None required; discretionary actions include trading halts and suspen-sions (with the exercise restrictions described above).</p> <p><b>Because NYSE declares a floor wide circuit breaker halt:</b> Trading in all CBOE securities halted during NYSE circuit breaker halt (with the exercise restrictions described above).</p>
	3150 DJIA POINTS (30%) BELOW PREVIOUS DAY'S CLOSING VALUE	3150 POINTS (30%) BELOW PREVIOUS DAY'S SETTLEMENT	
<p>The 240 point (20%) limit remains in effect.</p> <p>Settlement value will not be less than the limit value, regardless of the value of the cash index.</p>	Trading halts and does not reopen for the day.	<p><b>Limit comes into effect:</b> After the 2100 point (20%) limit.</p> <p>Limit remains in effect for the remainder of the trading day.</p> <p><b>Trading halt:</b> Trading shall halt for the rest of the day if the futures contract is limit offered at any time during the trading day and the NYSE declares a trading halt for the rest of the trading day.</p>	<p><b>If NYSE declares floor wide trading halt for the remainder of the day:</b> CBOE halts trading for the remainder of the day (with the exercise restrictions described above).</p> <p><b>Because CBOT limit is reached:</b> None required; discretionary actions include trading halts and suspensions (with the exercise restrictions described above).</p>

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