



Regulatory Circular RG08-79

To: Members
From: Trading Operations and Legal Divisions
Date: July 7, 2008
Re: Exposure Period for Crossing Orders

The SEC has approved a rule change that decreases the exposure period for crossing orders entered on the Hybrid System, as well as the auction timers for AIM and AIM AON, from 3 seconds to **1 second**. The decreased exposure periods will be in effect as of July 8, 2008 and apply to all classes trading on the Hybrid System, including Hybrid 3.0 classes. (See Rules 6.45A.01-.02, 6.45B.01-.03, 6.74A and 6.74B for additional information on the applicable requirements.)

Please note that the exposure period is not applicable when crossing orders on the Hybrid System for the accounts of non-broker-dealer customers (CBOE order origin code "C"). Two non-broker-dealer customer orders may be entered separately into the Hybrid System by the same order entry firm to trade against each other without waiting 1 second. Similarly, please note that there is no AIM exposure period for customer-to-customer crosses that satisfy the requirements of Rule 6.74A.01. (See Regulatory Circulars RG08-35 and RG08-47 for additional information on the applicable requirements.)

Members seeking further information as to the revised rules should refer to rule change SR-CBOE-2008-16, which is available on CBOE's website at www.cboe.org/Legal. Any other questions may be directed to Anthony Montesano, Trading Operations, 312-786-7365/montesan@cboe.com, or Jennifer Lamie, Legal, 312-786-7576/lamie@cboe.com.