

REGULATORY CIRCULAR RG93-61

DATE: November 8, 1993

TO: All Market-Makers

FROM: Patrick Caffrey, Chairman of
the Exemption Committee

RE: Market-Maker Position Limit Exemptions

Please be reminded that Exchange Rule 4.11, Interpretations and Policies .05 states that position limit exemption requests must be submitted **no later than 1:00 p.m. (CT)**. The 1:00 p.m. (CT) cutoff time has been established to afford ample time to assemble a Committee review panel and compile the necessary documentation for exemption review packets and members should make every effort to submit requests by this deadline. Please be aware that the Committee recognizes that under certain market conditions, market-makers may be uncertain as to whether they may need to submit an exemption request at 1:00 p.m. (CT). Should this be the case, verbal notification must be made to either **Karen Charleston at 786-7724 or Candice Nickrand at 786-7730 no later than 1:00 p.m. (CT)** that a written request **may** be forthcoming. In the event that it is later determined that an exemption is not necessary, the market-maker may simply withdraw the request. Additionally, please be reminded that those market-makers who require a continuance of their exemption following expiration are to submit such requests **no later than 1:00 p.m. (CT) on the Thursday preceding expiration**. All written exemption requests should be **delivered directly** to either Beth Curran, Karen Charleston or Candice Nickrand of the Department of Market Surveillance located on the 7th floor.

Additionally, please be reminded that the above Rule also states that instant exemption requests will be **considered** "in extraordinary situations, such as an order imbalance, and off-floor executable order in the crowd or position limit restrictions of Market-Makers who are near the limits **intraday**". Members are to be advised that the Committee does not grant instant exemptions on the basis that a market-maker merely failed to submit an exemption request the previous day.

Finally, please be reminded that any market-maker who has submitted a request for a position limit exemption must provide the Committee with an approximate end of day position. Inasmuch as positions often change significantly throughout the course of the day, this information will enable the Committee to more accurately determine the amount of the increase, if any, to be granted. **Approximate end of day positions are to be provided by contacting the Department of Market Surveillance at 786-7984 immediately following the close of trading on the day of the exemption request.**

Thank you for your cooperation.