

Regulatory Circular RG96-58

DATE: June 26, 1996

TO: All Members

FROM: Department of Market Regulation

RE: SPX RAES Eligibility

Please be advised that the Securities and Exchange Commission has approved revisions to Exchange Rule 24.16 - RAES Eligibility in SPX (Rule Filing SR-CBOE-96-19). This revision reduces the percentage of market-maker contracts an SPX Market-Maker must execute in SPX in the preceding month from 75% to 50% to remain eligible to participate on SPX RAES. Accordingly, **beginning August 1, 1996**, only those members who satisfy the revised SPX RAES eligibility requirements will be permitted to participate on SPX RAES. To be eligible to participate on SPX RAES **beginning August 1, 1996**, an SPX Market-Maker must execute **at least 50%** of his or her Market-Maker contracts for the preceding month in SPX and must execute at least 75% of his or her Market-Maker trades for the preceding month in SPX in-person. Members are to be reminded that eligibility is based on the **preceding calendar month's activity (July, 1996)**. Members are also to be reminded that SPX RAES transactions are not considered in making the aforementioned eligibility calculations.

Questions pertaining to this matter may be directed to Karen Charleston at 786-7724 or Beth Curran at 786-7833.