



Patrick J. Fay

Assistant Vice President
400 S. LaSalle Street

Chicago, Illinois 60605
(312) 786-7520
FAX 786-7481

Regulatory Circular RG96-16

January 29, 1996

To: All Members, DPMs, Order Book Officials

**From: Patrick Fay
Market Operations Department**

Re: Option Series Delisting Program

Effective February 2, 1996, *(not January 31, 1996 as previously announced)*, the CBOE, American Stock Exchange, New York Stock Exchange, Pacific Stock Exchange and Philadelphia Stock Exchange will implement an option series delisting program. The goal of the program is to eliminate those option series which have no open interest and have little chance of trading. The number of CBOE option series should initially fall by about 8%. As approved by the Equity Floor Procedure Committee, the following procedure will take place on February 2nd for all option classes except OEX and SPX.

- 1) At 9:00 am a memo will be distributed to each OBO or DPM noting that post/station's series to be delisted effective Monday, February 5, 1996. The following are the criteria for delisting:
 - Have no open interest in the call and the put
 - Are outside of the three strike prices brought on as a normal course after Expiration
 - Do not create a break in contiguous series
- 2) **The Trade Processing Window (x7952) must be notified prior to 11:00 am if a trading crowd does not wish to delist a series noted on the report.**
- 3) At 11:30 am, for multiply listed option classes, CBOE will coordinate delisted series with the other Exchanges. Trading crowds will be notified of any changes by other Exchanges.

Exceptions will occur when a trade is executed on Friday, February 2nd. When this occurs, the series will not be delisted. Should an error occur in delisting, a series can be

brought back on Monday morning, February 5th, although Autoquote would be unavailable until Tuesday, February 6th. Hereafter, this delisting procedure will occur monthly. **Please call me at x7520 or Hugh O'Neill at x7952 if you have any questions or comments concerning this memo.**