



RG97-107

Date: August 29, 1997  
To: Membership  
From: Equity Floor Procedure Committee  
Re: Reverse Rotations

Because the CBOE has approximately 1,084 Equity classes presently listed, the Equity Floor Procedure Committee ("EFPC") has been reviewing existing procedures to determine if new methods can be implemented to speed openings and eliminate bottlenecks in high volume situations.

Presently, some stations employ a front to back month rotation method during normal market conditions. In high volume situations this procedure is reversed, opening the back months first, to assist the Order Book Official in completing the rotation process faster and to remove queues in ALive Ammo@. This change in rotation confuses some investors and is slower than if the same method was consistently employed.

Accordingly, pursuant to its authority under CBOE Rule 6.2 Trading Rotations, the EFPC is mandating reverse rotations for all equity and narrow based index option classes, unless that class is in a competitive listing on other exchanges and those exchanges use front month rotation.

This change should be made immediately. Any questions regarding this Circular may be directed to John Johnston at 786-7303 or Tim Thompson at 786-7070.