

Regulatory Circular RG98-91

Date: August 28, 1998

To: Members and Member Firms

From: Department of Market Regulation

RE: **RAES Eligibility in OEX and DJX**

A rule filing has been approved by the SEC amending Rule 24.17, which makes changes to RAES eligibility requirements for market makers in OEX and DJX. The rule, as amended, provides that a market-maker would qualify to participate in RAES in both OEX and DJX by executing at least seventy-five percent (75%) of his or her market-maker contracts, and executing seventy-five percent (75%) of his or her transactions in person, for the preceding calendar month in: (1) OEX; (2) DJX; or (3) both OEX and DJX combined. The market-maker must be present in the particular trading crowd where the class is traded while he or she is participating in RAES for that class. The amended eligibility criteria will be applied to activity effected during the calendar month of August 1998. Reports based on this activity to confirm eligibility under the amended rule will be available September 1st or 2nd, 1998.

Questions relating to these changes may be directed to Karen Charleston at 786-7724.

Members who wish to participate in RAES in OEX or DJX as applicable under the amended rule are advised to contact Karen Charleston at 786-7724 as soon as possible to determine whether they must file or amend their RAES Participation Form.