



Market Operations
400 S. LaSalle Street
Chicago, Illinois 60605

Regulatory Circular RG98-97

Date: September 23, 1998
To: Members, Member Firms and Member Organizations
From: Market Operations
Re: Electronic Re-routing of Live Ammo Orders and BestQuote for Non-AutoQuote Series

A CBOE system enhancement package (TPF Version 98.2) will be effective in production as of 9/24/98. The version includes two major items (Electronic Re-routing of Live Ammo Orders and BestQuote for Non-AutoQuote Series), each of which is described below. If you have any questions, please contact Anthony Montesano at (312)786-7365, Mitch Sadus at (312)786-7152 or Tim Watkins at (312)786-7172.

Electronic Re-routing of Live Ammo Orders

Two new function keys have been added to the Live Ammo screen to allow the operator to re-route RAES-eligible orders to RAES and bookable orders into the book. The operator can select and re-route a subset of orders on the page or can re-route an entire page of orders (13) at a time.

Please note that the SEC has not yet given approval to re-route orders from Live Ammo to RAES. Thus, the function key which allows re-routing to RAES will be inactivated, and will remain so until approval is granted. Appropriate informational and training materials will be distributed prior to activation of this feature.

BestQuote for Non-AutoQuote Series

As they do for AutoQuote series, quotes will now automatically update for non-AutoQuote series whenever a limit order which improves the market is booked.

A "\$" will be displayed next to the quote whenever the Best Book BID or ASK is changed to match or improve the current market. If the book is subsequently traded out, the "\$" will be removed, but the quote will NOT automatically change.

Special indicators on MDR

The MDR update process will indicate the source of the quotes being logged to the database. The following indicators will be used to describe all of the possible quote conditions:

<u>INDICATOR</u>	<u>BID</u>	<u>OFFER</u>
Blank	Manual	Manual
A	AutoQuote	AutoQuote
B	Book	Book
C	Manual	AutoQuote
D	AutoQuote	Manual
E	Manual	Book
F	Book	Manual
G	AutoQuote	Book
H	Book	AutoQuote

It should be noted that orders which improve the market can only be booked from two sources: 1 - from Live Ammo; 2 - from PAR or Mobile PAR.