

Regulatory Circular RG99-187

Date: September 23, 1999

To: Designated Primary Market Makers

From: Modified Trading System (MTS) Appointments Committee

Re: DPM RAES Obligations

The Modified Trading System (MTS) Appointments Committee reminds DPMs that Rule 8.80(c)(5) requires each DPM to provide continuous RAES coverage in all of that DPM's appointed option classes. Also, Rule 8.16 requires that, unless exempted by the Modified Trading System (MTS) Appointments Committee pursuant to Rule 8.16(a)(iii), DPM designees may only be logged onto RAES in appointed option classes of the DPM when present in the trading crowd at which the classes are traded. Accordingly, absent an exemption, a DPM designee must log off the RAES system for an option class whenever the member leaves the trading crowd at which the option class is traded, unless the departure is for five minutes or less. Additionally, it is the obligation of each DPM designee to comply with this log-off requirement by logging himself or herself off RAES when required to do so.

Questions regarding this circular may be directed to Daniel Hustad at 786-7715 or Douglas Beck at 786-7959.