



Regulatory Circular No. RG-01-110

Date: June 20, 2001

To: CBOE Members and Member Firms

From: Office of the Chairman

RE: ORS Cancellation Fee Replaces PAR Cancellation Fee

The PAR cancellation fee previously announced in Regulatory Circular RG-01-86 (June 20, 2001) will not go into effect, and is being replaced by the ORS cancellation fee described below, which will take effect August 1, 2001.

ORS Cancellation Fee: CBOE will charge \$1.00 for every order that an executing Clearing Member cancels through the Order Routing System ("ORS") in a month, if in that same month the total number of orders the executing Clearing Member cancelled through ORS (includes cancels sent to PAR, E-Book, RAES, and BART) exceeds the total number of orders executed through ORS. ($\$1.00 \times \text{Total ORS orders cancelled, if } (\# \text{ of ORS canceled orders}) / (\# \text{ of ORS executed orders}) > 1$).

This ratio of cancelled to executed orders is 2 times the floorwide average this past June. As a result, most firms will not be subject to this fee. In addition, firms that send fewer than 500 cancellations through ORS in a month will not be subject to the fee.

If you have any questions, please contact Anthony Montesano at (312) 786-7365.