Regulatory Circulars continued

Regulatory Circular RG90-20 Continued

•Continue educating order room and branch office personnel regarding OEX book entitlement. If an order is time-stamped and placed in the designated order shoe before 8:20 a.m. on a normal day, the order is entitled to the opening price. In most situations, if a fast market has been declared in OEX prior to 8:00 a.m., the order must be time-stamped and placed into the designated OEX order shoe by 8:10 a.m. to be entitled to the opening price. However, the Exchange has the authority to set an earlier entitlement cut-off time pursuant to Rule 6.6(b)(iv) and 7.4 Interpretation .06.

•Eventually all OEX booked orders will have to be entered through ORS. Therefore, all member firms are encouraged to begin changing routing of phone, firm wire or other non-ORS orders. This can be accomplished at the order's origin or through the Booth Entry and Routing System (BERS).

Should questions arise, please contact William Nauss or Ken Silverstein at the OEX Book or call John Johnston at 786-7303.

An Electronic Book User Task Force has been formed to address Member Firm, Market Maker and Floor Broker issues regarding the Electronic Book. Any questions concerning this task force should be directed to Joe Sellito at 984-4373 or Ed O'Malley, 786-7364.

Regulatory Circular RG90-21

March 19, 1990

Firm Quotes in UAL Options

On Monday, March 19, 1990, the Market Performance Committee, by authority under Exchange Rule 8.51 determined to exempt the UAL trading crowd from the provisions of Rule 8.51 (Trading Crowd Firm Disseminated Market Quotes) **in puts only.** This exemption is being granted due to the uncertainty as to the structure of the proposed take-over by Conniston and the Union. The exemption is granted on an interim basis only, and will be re-addressed by the Market Performance Committee when conditions change.

Regulatory Circular RG90-22

March 20, 1990

Firm Quotes in UAL Options

On Monday, March 19, 1990, the Market Performance Committee, by authority under Exchange Rule 8.51 exempted the UAL trading crowd from the provisions of Rule 8.51 (Trading Crowd Firm Disseminated Market Quotes) **in puts only.** This exemption was granted on an interim basis only, and **as of the opening on Tuesday, March 20, 1990, that exemption is no longer in effect.** That is, the provisions of Exchange Rule 8.51 are now applicable in UAL options.

Rules Changes, Interpretations and Policies

Approved Rule Change(s)

The Securities and Exchange Commission ("SEC") has approved the following change(s) to Exchange Rules pursuant to Section 19(b) of the Securities and Exchange Act of 1934, as amended.

SR-CBOE-90-04 - Rule 8.60. Evaluation of Trading Crowd Performance

On March 13, 1990, the SEC approved the continuation of the pilot program for the evaluation of trading crowd performance by the Market Performance Committee (Securities Exchange Act Release No. 34-27797, 55 FR 10338 (March 20, 1990)). The pilot, which is set forth in Rule 8.60, is extended until the SEC acts on the Exchange's request for permanent approval. Therefore, paragraph (h) of Rule 8.60 is deleted.

Any questions regarding this rule change may be directed to Robert P. Ackermann, Vice President, Legal Department, at (312) 786-7711.