

Trading Operations
400 S. LaSalle Street
Chicago, Illinois 60605

Regulatory Circular - RG95-104
Date: December 5, 1995
To: CBOE Membership
From: OEX Floor Procedure Committee
Re: New RAES Series Guidelines for OEX

Effective Monday, December 18, 1995, the following guidelines will be used to select RAES series in OEX. These guidelines were approved by the OEX Floor Procedures Committee on November 29, 1995.

RAES Series Guidelines for OEX

A maximum of eight CALLS and eight PUTS, in each of the front two expiration months (32 total), will be eligible for RAES.

Initial Daily Series Selection

CALLS and PUTS in the front two expiration months will be evaluated separately. Only those series closing at or below \$7 will be candidates for RAES. If more than eight series closed at or below \$7, the eight highest priced options will be selected.

Intra-day Series Changes

A series which begins the day on RAES will be inactivated if the market offer hits 10 1/8. Another cheaper series may then be activated.

Similarly, a series which begins the day on RAES will be inactivated if the market offer hits 1/16. Another series, with a market offer of 7 or less, may then be added.

These guidelines will be periodically reevaluated by the OEX Floor Procedure Committee. The Committee and the Exchange retain the authority to deviate from these guidelines when appropriate.

If you have any questions, please contact the RAES Supervisors at x4340, or Anthony Montesano at (312)786-7365.