



Regulatory Circular RG95-110

Date: December 18, 1995

To: Membership and Staff
From: Trading Operations Department
Re: Automated Trading Halt

On December 19, 1995, CBOE will complete the automation of the trading halt process. If you have any questions, please contact Anthony Montesano at 786-7365, or Tim Watkins at 786-7172.

Automated TRADING HALT

When a halt indication is electronically received from the primary exchange on an underlying security, the following steps will AUTOMATICALLY occur for that option class and its LEAPS:

1. RAES is INACTIVATED.
2. A "T" (Trading Halt) indicator and a 998-999 quote will be disseminated to the public via OPRA.
3. BLANK quotes will be displayed on CBOE overheads and class displays. For DCN-type class displays, a "T" indicator will be displayed for non-RAES series and an "A" indicator for RAES series.
4. A HALT message will be logged to MDR (Time & Sales).
5. ORS will route orders as if it were a PRE-OPEN condition (i.e., all market orders and all limit orders route to EBOOK). Note that EBOOK must be MANUALLY reset to "R-state". Until this is done, market orders will route to Live Ammo or to the book printers. Resetting EBOOK to "R-state" will NOT change the class-level market indicators.
6. An administrative message is routed to the book printer and to the Help Desk.
If a "T" indicator is manually entered, steps one thru six above will automatically occur.

Trading halts that are implemented automatically by computer pursuant to the above procedure will be subject to the same conditions and limitations that apply to trading halts declared by a Post Director or OBO under Interpretation and Policy 6.3.01. That is, no trading halt may exceed 5 minutes in duration unless it has been declared by two Floor Officials, and successive 5-minute trading suspensions may not be combined. Any longer suspensions of trading may be declared only by two Floor Officials pursuant to Rule 6.3(a).

Resumption of Normal Trading

While the "T" market indicator is present, any quotes, manual or auto, will NOT be logged to MDR or broadcast to CBOE displays.

The "T" indicators must be cleared MANUALLY when coming out of the halt.