

Regulatory Circular 95-54

DATE: June 12, 1995
TO: OEX Trading Crowds
FROM: OEX Floor Procedure Committee
RE: Telephone Lines at the OEX Option Trading Posts

The Exchange has determined pursuant to Rule 6.23 to allow members in the OEX trading crowd to have access, as set forth below, to outside telephone lines provided by the Exchange. This program is intended to promote improved relationships between the OEX trading crowds and the member firms and to facilitate efficient access to underlying markets.

Outgoing calls will be accomplished by allowing the existing intra-floor lines at the OEX post to have access to "outside dial tones." Members will be required to enter five (5) digit personal identification numbers ("PINs") when making calls, which will allow the Exchange to bill members for the costs of the calls. These PIN codes can be used from any floor telephone, thus offering flexibility and freedom to those members who move about the floor.

The Exchange will charge no fee for the PIN codes, but will charge for each local and long distance call as follows:

! Local calls to any number in the 312 or 708 area code will be billed at 10 cents per minute.

! Long distance calls will be billed at a rate 25% higher than our direct cost, but still lower than standard rates. For example, a call which normally cost 17 cents per minute is purchased by the CBOE at 12 cents per minute due to our volume discounts. The rate charged to PIN codes will be 15 cents per minute.

These incremental revenues will be used to offset the increased expenses of additional central office trunks.

The Exchange's consent to the use of telephones at the OEX trading post (whether Exchange-owned or private) will initially be subject to the following conditions (which may be modified as the Exchange gains experience):

1. The telephones may not be used to receive orders, although quotes that have been publicly disseminated pursuant to Rule 6.43 may be provided.
2. Members may give their clerks their PIN access code. Although both members and clerks may use the telephones, members will have priority. Each member will be responsible for all calls made using that member's PIN access code.
3. Headsets will not be permitted on the telephones in the post pit. Portable or cellular phones also will not be permitted.

4. Clerks will not be permitted to establish a base of operation utilizing telephones at the OEX post.
5. Members and their clerks using the telephones consent to the Exchange that any telephone or line may be tape recorded by the Exchange.
6. The telephones will be used for voice service only. Data services (PC's, fax, etc.) will remain subject to Exchange consent under a separate program.
7. Incoming calls are not permitted on the telephones at the OEX post.

You may obtain your PIN access code from the telecommunication service center located on the second floor. This is to remind members that all other telephone and communications facilities on the floor of the Exchange require prior Exchange approval. The program announced above does not provide for or permit the use of cellular or portable telephones at the OEX trading post.