



**Regulatory Circular RG04-23**

**To: Membership**

**From: Equity Market Performance Committee**

**Date: February 19, 2004**

**Re: \$5 Quote Widths in Top 200 Hybrid Classes**

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Effective February 19, 2004, the permissible bid-ask differential in the Top 200 classes will be \$5.00. This means that market makers' quotes in the Top 200 classes may be \$5 wide regardless of the premium value. For example, a \$1.00 - \$6.00 quote is permissible however a \$1.00 - 6.20 quote is not. In the non-Top 200 classes, standard bid-ask differentials remain in place.

1. This pilot program only applies to the Top 200 Hybrid classes. Staff will distribute to each crowd a list of their classes that are included in the program.
2. Opening rotation quotes **MUST** meet current legal-width requirements.<sup>1</sup> After the open, quotes may be \$5 wide. This means that market makers cannot quote \$5 wide during the open.

Questions regarding the program should be addressed to Daniel Hustad at (312) 786- 7715 or to any member of the Equity Market Performance Committee.

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<sup>1</sup> Per Rule 8.7(b)(iv), current legal widths are as follows: The allowable bid-ask differentials are: \$0.25 for options under \$2, \$0.40 for options between \$2 and \$5, \$0.50 for options between \$5 and \$10, \$0.80 for options between \$10 and \$20, and \$1.00 for options above \$20.