



Regulatory Circular RG06-62

To: CBOE Members

From: Equity Market Performance Committee

Date: June 21, 2006

Subject: Participation Entitlements for DPMs, e-DPMs and LMMs

The Equity Market Performance Committee is issuing this circular to remind members that to receive a participation entitlement:

- A DPM, e-DPM, or LMM must be quoting at the best bid/offer on the Exchange.
- A DPM, e-DPM, or LMM may not be allocated a total quantity greater than the quantity that the DPM/e-DPM or LMM is quoting at the best bid/offer on the Exchange.
- The participation entitlement is based on the number of contracts remaining after all public customer orders in the book at the best bid/offer on the Exchange have been satisfied.

(See Rule 8.87 pertaining to participation entitlements for DPMs and e-DPMs, and Rule 8.15B pertaining to participation entitlements for LMMs.)¹

If you have any questions concerning this circular, please contact Daniel Hustad at (312) 786-7715.

¹ See Rule 8.13 with respect to the Preferred Market-Maker Program, and the participation entitlements for Preferred Market-Makers.