

Regulatory Circular RG94-28

April 5, 1994

To: All Members
All Options Managers

From: Charlie Hullihan

Re: As Of Add Transaction Fee

The As Of Add Transaction Fee is revised effective Monday, April 4, 1994 as approved by the Securities and Exchange Commission. The change is that monthly, any individual member who submits more than 2.5% of his/her trades after the day of execution will incur a \$10 fee on each add in excess of 2.5%. Formerly, members were assessed a fee on all as of adds once the 2.5% level was exceeded. The firm fee calculation remains the same. Daily reports will be distributed to those members with month-to-date As Of add rates in excess of 2.5% and Firms with month-to-date As Of rates in excess of 1.3%.

Individual members and member firms who receive as of add transaction fee charges may request verification of charges from the Exchange and may appeal the charges using procedures set forth in Exchange rule 2.26.

Please be advised that failure to submit trades on the day of execution could significantly raise your fees and egregious or continuing failures may be the subject of disciplinary action. A detailed explanation of the revised plan is attached. Should you have any questions please call me at 786-7176 or Patrick Fay at 786-7520.

cc: Clearing Procedures Committee

AS OF ADD TRANSACTION FEE PROGRAM

2.0 MEMBER PORTION

All members (executing broker acronyms) exceeding a monthly as of add rate the Exchange considers "nominal" are charged a fee for each as of add over the nominal limit. The fee will be invoiced from the firm that collects the member's Exchange fees.

NOMINAL RATE: 2.5% (*250% of current Exchange average*)

FEE PER AS OF ADD: \$ 10.00

3.0 FIRM PORTION

All firms exceeding the nominal monthly as of add rate are charged a fee for each as of add over that rate.

NOMINAL RATE: 1.3% (*130% of current Exchange average*)

FEE PER AS OF ADD: \$ 3.00

4.0 ANTICIPATED SCHEDULE PROGRAM

It is anticipated the maximum nominal as of add rate will become more stringent over time. It's contemplated that the readjustment schedule will be:

Date	Maximum Nominal MEMBER As Of Add Rate	Maximum Nominal FIRM As Of Add Rate
10-01-94	2.5 Times 9/94 Exchange Wide Rate	1.3 Times 9/94 Exchange Wide Rate
4-01-95	2.5 Times 3/95 Exchange Wide Rate	1.3 Times 3/95 Exchange Wide Rate