



REGULATORY CIRCULAR (05-07)

To: All Floor Members and Clerks

From: Maura Looney

Date: April 29, 2005

Re: Regulation SHO – New provision regarding Short sales

A reminder that the operation of the “tick” test of Rule 10a-1 is suspended for short sales effected in any security included in the **Reg Sho Pilot Program**, beginning on Monday May 2, 2005. Following up a question posed during yesterday’s meeting, please be aware that a customer short sale limit order should be displayed where the order is eligible for execution. We expect a BEACON enhancement to be available shortly.

Please contact me at extension 2073 if there are any questions.