

Date: April 1, 2003
To: The Membership
From: Office of the Chairman
Subject: Market Maker Fee Reductions for the Quarter Beginning April 1, 2003

CBOE has averaged approximately 1,051,000 contracts per day (CPD) during the first nine months of the current fiscal year.

EQUITIES and QQQ OPTIONS market makers are eligible for fee reductions through the Market Share Incentive Plan (MIP) launched March 1, 2003 (Information Circular IC03-18).

INDEX (INCLUDING DIA) market maker transaction fees will continue to be reduced by \$.06 per contract from standard rates during the quarter beginning April 1, 2003. This rate reduction is equal to the discount level that has been in effect since January 1, 2003 for index options.

<u>Fee</u>	<u>Standard Rate</u>	<u>Rate April – June</u>
Index Market Maker Trans. Fee	\$.19	\$.13

The above rates do not include a \$.05 trade match fee that is assessed to all contracts except equity and QQQ options customer orders.

Please call Ermer Love (312-786-7032) or Don Patton (312-786-7026) if you have any questions.

It's easy to stay informed about issues at CBOE! CBOE Members can now receive informational and news notices via e-mail or fax. To sign up, simply e-mail your name, e-mail address or fax number to members@cboe.com or contact Doug Luzzi (312-786-7105).