To: The Membership Information Circular IC03-53

From: The Allocation Committee

Date: May 1, 2003

Re: Relocation of DPMs and Trading Crowds on the Floor

Pursuant to Rule 8.95, the Allocation Committee is responsible for determining the floor location of each trading crowd, DPM and security traded on CBOE. Following recent relocation requests from DPMs and after receiving input from the Floor Directors Committee and the MTS Committee, the Allocation Committee is hereby notifying the membership of its procedures for handling relocation requests.

Subsequent to a DPM or trading crowd providing a formal relocation request to the Allocation Committee via letter and/or an appearance, the Committee will:

1. Conduct an initial review/discussion regarding the request.
2. Notify the Floor Directors Committee, the MTS Committee and the affected crowd(s) in writing that such request has been received. This written notification will seek the input of the above mentioned Committees as well as encourage the affected crowd(s) to either: (a) appear before the Committee, (b) appear as individuals before the Committee, (c) contact individual members of the Committee, and/or (d) provide a written statement regarding the request.
3. In addition to the above, such request will be posted on the CBOE website and distributed on the CBOE trading floor.
4. Review any operational factors that relate to whether the requested change is in the best interest of the Exchange. The Committee will consider additional information such as; trading statistics, comments received from interested parties including written statements, individual informal discussions, and appearances before the Committee.
5. Vote on the relocation request.
6. Verbally notify the DPM and affected trading crowd(s) of the Committee's decision and distribute that decision in an Informational Circular to the trading floor and by a posting on the CBOE website.

If you have any questions, please feel free to contact Daniel Carver, Chairman of the Allocation Committee.