



**Regulatory Circular RG02-38**

**DATE:** June 11, 2002

**TO:** Members and Member Firms

**FROM:** Market Operations Department

**RE:** Restrictions on Transactions in  
Madge Networks NV (VKM)

NASD has announced that Madge Networks NV (MADGF) common stock will be delisted from the NASDAQ effective June 10, 2002. Trading in VKM options on the CBOE was halted on June 11, 2002.

Trading on the CBOE in existing series of VKM options will reopen on June 12, 2002 subject to the following restrictions. Only closing transactions may be effected in any series of VKM options, except for (i) opening transactions by market-makers executed to accommodate closing transactions of other market participants and (ii) opening transactions by CBOE member organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with CBOE Rule 6.74(b) or (d). Pursuant to Rule 8.51, floor officials have determined that all series of VKM option are in non-firm mode. In addition, VKM will not be traded on RAES.

The execution of opening transactions in VKM options, except as permitted above, and/or the misrepresentation as to whether an order is opening or closing, will constitute a violation of CBOE rules, and may result in disciplinary action.

There are no restrictions in place with respect to the exercise of VKM options and the Options Clearing Corporation (OCC) has advised CBOE that the expiration of VKM options will remain subject to OCC's Exercise-by-Exception Procedures.

The provisions of this circular apply to any options on Madge Networks NV traded on CBOE, including any Madge Networks NV option series with a different option symbol than VKM.

Any questions regarding this circular may directed to Kerry Winters at (312) 786-7312 or Mike Felty at (312) 786-7504.