

Regulatory Circular RG99-113

Date: April 27, 1999

To: Members and Member Firms

From: Market Performance Committee

Re: Options on Gemstar International Group Ltd. (QLF)

The Market Performance Committee (MPC), by its authority under the provisions of Exchange Rule 8.7(b)(iv), has temporarily established modified bid/ask differentials in the option series on Gemstar International Group Ltd. (QLF). Due to the volatility in the underlying stock, QLF options may be twice as wide as the markets allowed under the provisions of Rule 8.7. This relief is granted from the opening of business on April 27, 1999 through the May 1999 Expiration Cycle unless withdrawn by the Committee prior to that time.

The Market Performance Committee will continue to monitor the activity in the underlying security of QLF options, and will modify the bid/ask differentials in the respective options accordingly.

Any questions regarding this memorandum should be directed to Daniel Hustad at (312) 786-7715.