

Regulatory Circular RG99-234

Date: December 27, 1999
To: Members and Member Firms
From: Market Performance Committee
Re: Modified Bid/Ask Differentials

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 of the following option classes. Due to the volatility in the underlying stocks, options on these securities may be wider than the markets allowed under the provisions of Rule 8.7. This relief is granted from the opening of the business day following the Committee approval through the January 2000 Expiration Cycle unless withdrawn by the MPC prior to that time.

The MPC will continue to monitor the activity in the underlying securities of these 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.

Bid/Ask Relief is granted as follows:

| DPM | Option Class | Relief Granted | Date Granted | Expiration Date |
|------------------------------|--------------------------------|----------------|--------------|-----------------|
| Beartooth Capital, L.L.C. | YAHOO, Inc. (YHQ) | Double Width | 12/21/99 | 1/21/00 |
| Brown Trading Group | Ortel Corp (OGE) | Double Width | 12/27/99 | 1/21/00 |
| Eclipse JV | TIBCO Software (TIU) | Triple Width | 12/23/99 | 1/21/00 |
| Hiland Capital Group, L.L.C. | LAM Research Corporation (LMQ) | Double Width | 12/21/99 | 1/21/00 |
| Timber Hill L.L.C. | PE Celera Genomics (CRA) | Double Width | 12/23/99 | 1/21/00 |