

Date: August 18, 2000

To: Members and Member Firms

From: Market Performance Committee

Re: Modified Bid/Ask Differentials

Due to the volatility in the underlying stocks and other factors affecting both the options and the underlying, the Market Performance Committee ("Committee"), 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. Additionally, the Committee has determined that the provision of Rule 8.7 Interpretation .02 (b) will not apply to the classes for the period of time the above exemption was granted. This relief is granted from the opening of business on August 21, 2000 through the September 2000 Expiration Cycle unless withdrawn by the MPC prior to that time.

This relief was granted by the Committee with the contingency that the disseminated markets in these classes will be competitive and in many instances will be narrower than the relief granted below. The Committee 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:

Equity Bid/Ask Relief:

	Class	Relief	Name	DPM
1	FIQ	Double	Affymetrix, Inc.	Apollo Partners, L. P.
2	CQR	Double	Cree, Inc.	
3	FUH	Double	United Therapeutics Corp.	
4	AUB	Double	About.com, Inc.	BE Partners
5	GQI	Double	Go2Net, Inc.	
6	UNQ	Double	JDS Uniphase	
7	MEQ	Double	Medimunne, Inc.	
8	QEZ	Double	National Computer System, Inc.	
9	HWF	Double	Hewlett Packard LEAPS	Beartooth Capital, L.L.C.
10	UVT	Double	Voicestream Wireless Corp.	
11	YHQ	Double	Yahoo! Inc. LEAPS	
12	WQG	Double	Proxim, Inc.	Botta Trading
13	RQZ	Double	RF Micro Devices, Inc.	
14	BBH	Double	Biotechnology HOLDRs Trust	Botta Trading - Lacerta
15	FAQ	Double	Freemarkets, Inc.	
16	RAQ	Double	Rational Software	
17	AYQ	Double	Art Technology Group, Inc.	Botta Trading - Lynx
18	AZU	Double	Abgenix, Inc.	Botta Trading - Scorpius
19	UML	Double	Emulex Corporation	
20	SZI	Double	PMC - Sierra, Inc.	

	Class	Relief	Symbol Name	DPM
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21	NJQ	Double	Network Appliance Corp.	Bridgeport DPM, L.L.C.
22	SWQ	Double	Sandisk Corp.	
23	EUL	Double	Echelon Corp.	Brown Trading Group
24	OQE	Double	Ortel Corporation	
25	QHD	Double	Polycom, Inc.	
26	IRU	Triple	Ariba Inc. LEAPS	Cloch Trading, L.L.C.
27	IRU	Double	Ariba, Inc.	
28	SUJ	Double	Sapient Corporation	
29	SGQ	Double	Siebel Systems, Inc.	
30	FUJ	Double	Cacheflow, Inc.	Eclipse J.V.
31	JQ	Double	I2 Technologies Inc.	
32	BNQ	Double	Rambus, Inc.	
33	TIU	Double	Tibco Software, Inc.	
34	QUM	Double	Micromuse, Inc.	G Bar L.P.
35	TUR	Double	Terra Network, Inc.	
36	BRQ	Double	BEA Systems, Inc.	Geneva DPM, L.L.C.
37	KEQ	Double	Checkpoint Software Tech.	Group One Trading, L.P.
38	IPQ	Double	Incyte Genomics Inc.	
39	QFW	Double	Osicom Tech Corp	
40	IUJ	Double	Internet Initiative of Japan ADR	Heartland TFM, L.L.C.
41	SZQ	Double	Stratos Lightwave, Inc.	
42	UBF	Double	Brocade Communications	Johnson Trading JV
43	IDQ	Double	IDEC Pharmaceuticals	
44	JNQ	Double	Network Solutions, Inc.	KFT DPM, L.L.C.
45	RCQ	Double	Broadcom, Inc.	Knight Financial Products, L.L.C.
46	MZU	Double	Medarex	
47	NGH	Double	Nabisco Group Holdings	
48	NGH	Double	Nabisco Group Holdings LEAPS	
49	UMC	Double	Phone.com, Inc.	Letco DPM, L.P.
50	PPU	Double	PurchasePro.com, Inc.	
51	DXX	Triple	Telebras HOLDRS	
52	TSP	Triple	Telecomunicacoes De Sao Pualo S/A	
53	TMV	Double	TeleNorte Leste Participacoes S.A.	
54	EXF	Double	Exodus Communications, Inc.	Option Funding Group, L.L.C.
55	AHV	Double	Power Wave, Inc.	
56	ULI	Double	SilkNet Software, Inc.	Option Resource Group, L.L.C.
57	JUP	Double	Juniper Networks	PEAK6 Capital Management, L.L.C.
58	UPA	Double	Critical Path Inc.	Platinum Trading, L.L.C.
59	HQU	Double	Zixit Corp.	
60	EVU	Double	E-TEK Dynamics, Inc.	Spear, Leeds & Kellogg 2-6
61	QDV	Double	Aspect Development, Inc.	Spear, Leeds & Kellogg 2nd Floor
62	DNA	Double	Genentech, Inc.	
63	SPW	Double	SPX Corporation	
64	UDA	Double	Aurora Biosciences	Stone Hedge Securities, L.L.C.
65	GLW	Double	Corning, Inc.	
66	GLW	Double	Corning, Inc.LEAPS	

	Class	Relief	Symbol Name	DPM
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67	QYK	Double	Inktomi Corporation	Susquehanna Investment Group
68	RQB	Double	Mercury Interactive Corp.	
69	OQ	Double	Foundry Networks, Inc.	Susquehanna Investment Group C
70	QSM	Double	Sycamore Networks, Inc.	
71	TUA	Double	Turnstone Systems, Inc.	
72	U	Double	US Air - LEAPS	
73	TMC	Double	Times Mirror Co.	Susquehanna Investment Group IKN
74	RUC	Double	Commerce One, Inc.	Susquehanna Investment Group KM
75	DGU	Double	Digital Lightwave	
76	NA	Double	Nabisco	
77	UGM	Double	Software Dot Com	
78	UEP	Double	E.piphany, Inc.	Susquehanna Investment Group MSQ
79	BUK	Double	Redback Networks, Inc.	
80	QSL	Triple	SDL, Inc.	
81	HEX	Double	Aether Systems	Susquehanna Investment Group VMB
82	ENZ	Double	Enzo Biochem Inc.	
83	UMU	Double	Akamai Technologies	TFM Investment Group
84	UYN	Double	Avanex Corporation	
85	PQI	Double	Protein Design Labs, Inc.	
86	UIN	Double	LeapsWireless International, Inc.	Timber Hill, L.L.C.
87	CRA	Double	PE Celera Genomics	
88	TQN	Double	Triquent Semiconductor	Tradenet DPM
89	TAR	Double	Telefonica de Argentina S.A.	Wolverine Trading, L.P.
90	MQM	Double	Metricom, Inc.	ZH Partners, J.V.
91	UAV	Double	Navisite, Inc.	
92	TFS	Double	Three-Five Systems	

Index Bid/Ask Relief:

	Class	Relief	Symbol Name	DPM
1	INX	Triple	CBOE Internet Index	Trade Mark Financial Group
2	MEX	Double	CBOE Mexico Index	
3	OIX	Double	CBOE Oil Index	
4	ECM	Triple	Dow Jones Internet Commerce Index	
5	DUX	Double	Dow Jones Utility Average	
6	GSM	Double	GSTI Hardware Index	
7	GHA	Double	GSTI Semiconductor Index	
8	BIX	Double	S&P Banks Index	
9	RLX	Double	S&P Retail Index	
10	TXX	Double	CBOE Technology Index	Timber Hill, L.L.C.
11	GIN	Triple	Goldman Sachs Internet Index	

Replaces Regulatory Circular 00-112

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