CBOE
CHICAGO BOARD OPTIONS EXCHANGE

Regulatory Circular RG00-182

DATE: **December 8, 2000**

TO: **Members and Member Firms**

FROM: **Market Operations Department**

RE: **Restrictions on Transactions in Learnout & Hauspie (XQL)**

Trading in Learnout & Hauspie (XQL) common stock on the NASDAQ National Market System and trading in XQL options on CBOE was halted on November 9, 2000, and the NASD subsequently delisted XQL common stock.

Trading on CBOE in existing series of XQL options will reopen on December 11, 2000 subject to the following restrictions. Only closing transactions may be effected in any series of XQL 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). The firm quotation provisions under Rule 8.51 will be suspended in XQL options and the options will not be traded on RAES.

The execution of opening transactions in XQL 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 XQL options and the Options Clearing Corporation (OCC) has advised CBOE that the expiration of XQL options will remain subject to OCC's Exercise-by-Exception Procedures.

The provisions of this circular apply to any options on Learnout & Hauspie traded on CBOE, including any Learnout & Hauspie option series with a different option symbol than XQL.

Any questions regarding this circular may directed to Kerry Winters at (312) 786-7312 or Patricia Cerny at (312) 786-7722.