



Regulatory Circular 01-81

DATE: June 7, 2001
TO: Members and Member Firms
FROM: Market Operations Department
RE: Transactions in Priceline.com Inc. (PUZ)

This Circular clarifies the trading restrictions in the Priceline.com Inc. (PUZ) option class and which series members and member firms may effect opening transactions. On May 7, 2001, CBOE advised its members that trading in the Priceline.com Inc. (PUZ) **June and October 5, 7 ½ and 10 option series** was restricted to closing customer orders only (see RG01-62). Only closing transactions may be effected in these PUZ series 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). These specific PUZ series will not be traded on RAES. CBOE listed these specific series pursuant to Securities and Exchange Commission authorization.

However, there are no trading restrictions in the PUZ July and January 5, 7 ½ and 10 option series or the 2003 LEAPS (VZJ), and members and member firms may effect opening transactions in these series.

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

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