Date: July 10, 2001

To: Members and Member Firms

From: Market Performance Committee

RE: Distribution of Trading Activity

Pursuant to Exchange Rule 8.7.03, the Market Performance Committee determined to assign a triple weighting factor to the option contracts that a market maker trades in his/her appointed classes. The assignment of a triple weighting factor has been applied commencing with the second quarter of 2001 and will continue until further notice.