



## Regulatory Circular RG01-145

**DATE:** September 28, 2001  
**TO:** Members and Member Firms  
**FROM:** Market Operations Department  
**RE:** Restrictions on Transactions in  
New Metricom Inc. (MQM)

Trading in New Metricom Inc. common stock on the NASDAQ (MCOM) and trading in (MQM) options on CBOE was halted on July 2, 2001 and the NASD subsequently delisted MQM common stock.

Trading on CBOE in existing series of MQM options will reopen on October 3, 2001 subject to the following restrictions. Only closing transactions may be effected in any series of MQM 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) or (d). The firm quotation provisions under Rule 8.51 will be suspended in MQM options and the options will not be traded on RAES.

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

The provisions of this circular apply to any options on New Metricom Inc. traded on CBOE, including any New Metricom Inc. option series with a different option symbol than MQM.

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