



Regulatory Circular RG 03-101

DATE: October 28, 2003

TO: Members and Member Firms

FROM: Market Operations Department

RE: Restrictions on Transactions in
SureBeam Corp. (SUREE/UGN)

Trading in SureBeam Corp. common stock on the NASD (SUREE) and trading in UGN options on the CBOE was halted on October 28, 2003. Subsequently the stock was delisted from the NASD on October 28, 2003.

Trading on CBOE in existing series of UGN options will reopen on October 28, 2003, subject to the following restrictions. Only closing transactions may be effected in any series of UGN 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). Pursuant to Rule 8.51, floor officials have determined that all series of UGN options are in non-firm mode. In addition, UGN will not be traded on RAES.

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

The provisions of this circular apply to any options on SureBeam Corp. traded on CBOE, including any SureBeam Corp. option series with a different option symbol than UGN.

Any questions regarding this circular may directed to Kerry Winters at (312) 786-7312 or Mike Felty at (312) 786-7504.