



Regulatory Circular RG05-68

DATE: August 15, 2005

FROM: Market Operations Department

RE: Restrictions on Transactions in
Lakes Entertainment, Inc. (LACOE/QWL)

On the Opening of business on August 10, 2005, Lakes Entertainment (QWL) was delisted from the Nasdaq.

As of August 10, 2005, trading on CBOE in existing series of QWL options were subject to the following restrictions. Only closing transactions may be effected in any series of QWL 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 execution of opening transactions in QWL 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. Member organizations should ensure that they have appropriate procedures in place to prevent their customers from entering opening orders in this restricted option class.

There are no restrictions in place with respect to the exercise of QWL options. The provisions of this circular apply to any options on QWL traded on CBOE.

Any questions regarding this circular may directed to Kerry Winters at (312) 786-7312 or Joanne Heenan-Hustad at (312) 786-7786.