

Regulatory Circular RG97-39

DATE: March 20, 1997

TO: Members and Member Firms

FROM: Market Operations Department
Market Regulation Department

RE: Centennial Technology Inc. (CTN) Options

Trading in Centennial Technology Inc. (CTN) common stock on the New York Stock Exchange and trading in CTN options on the CBOE and the American Stock Exchange (AMEX) has been suspended since March 3, 1997.

Closing Rotation

The CBOE Executive Committee has determined to conduct a limited closing rotation for expiring March CTN options. This closing rotation will commence on Friday, March 21, 1997 at 2:00 p.m. (CT). Only closing transactions in expiring March CTN options may be effected during this closing rotation, except for opening transactions by market-makers executed to accommodate closing transactions of other market participants, and except for opening transactions by member firms to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with Exchange Rule 6.74(b). The CBOE has been advised that the AMEX also intends to conduct a similar limited closing rotation for expiring March CTN options.

Members are cautioned not to accept or enter opening orders for expiring March CTN options. The execution of opening transactions during the foregoing closing rotation, 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.

Other than the foregoing closing rotation, trading in CTN options on the CBOE shall remain suspended until further notice. The CBOE will continue to assess on an ongoing basis whether to permit trading to resume in CTN options, and if so, what type of trading restrictions, if any, should apply.

Exercise Information

There continue to be no restrictions in place with respect to the exercise of CTN options.

As detailed in Options Clearing Corporation (OCC) Circular #9775 (a copy of which is attached), OCC has determined that the March expiration of CTN options will

remain subject to OCC's Exercise-by-Exception process, provided that a closing price for CTN common stock can be obtained from the OTC non-NASDAQ market. Members are advised that the procedures for submitting Contrary Exercise Advices (CEAs) pursuant to CBOE Rule 11.1.06 will remain in full force and effect. Pursuant to Rule 11.1.06, all exercise decisions with respect to expiring March CTN options must be made and communicated to the CBOE by 4:30 p.m. (CT) on Friday, March 21, 1997. The submission or preparation of a CEA after the 4:30 p.m. (CT) cut-off time may result in disciplinary action.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL
BRANCH OFFICES AND CORRESPONDENTS OF THE FOREGOING INFORMATION.

Any questions regarding the closing rotation for expiring March CTN options may be directed to Thomas Brady at (312) 786-7775 or Gregory Rich at (312) 786-7847, and any questions regarding the exercise of CTN options or the submission of CEAs may be directed to Patricia Cerny at (312) 786-7722 or Karen Charleston at (312) 786-7724. Questions from Registered Options Principals or customers can be directed to 1-800-OPTIONS.