

Date: December 13, 2000

To: Members and Member Firms

From: Market Performance Committee

Re: Modified Bid/Ask Differentials

Due to the volatility in the underlying stocks and other factors affecting both the options and the underlying, the Market Performance Committee ("Committee"), by its authority under the provisions of Exchange Rule 8.7(b)(iv), has temporarily established modified bid/ask differentials in the option series of the following option classes. Additionally, the Committee has determined that the provision of Rule 8.7 Interpretation .02 (b) will not apply to the classes for the period of time the above exemption was granted. This relief is granted from the opening of business on December 18, 2000 through the January 2001 Expiration Cycle unless withdrawn by the MPC prior to that time.

This relief was granted by the Committee with the contingency that the disseminated markets in these classes will be competitive and in many instances will be narrower than the relief granted below. The Committee will continue to monitor the activity in the underlying securities of these options, and will modify the bid/ask differentials in the respective options accordingly.

Any questions regarding this memorandum should be directed to Daniel Hustad at (312) 786-7715.

Bid/Ask Relief is granted as follows:

Equity Bid/Ask Relief:

	Class	Relief	Name	DPM
1	CQD	Double	Colt Telecom PLC	Apollo Partners, L. P.
2	CQR	Double	Cree, Inc.	
3	FUH	Double	United Therapeutics Corp.	
4	IUW	Double	Interwoven, Inc.	
5	OUZ	Double	Open TV Corp.	
6	XGY	Double	Spyglass, Inc.	
7	ISU	Double	ISS Group & Co.	Athena Trading DPM
8	UVT	Double	Voicestream Wireless Corp.	Beartooth Capital, L.L.C.
9	NFU	Double	Niku, Inc.	Big Blue Trading J.V.
10	XLA	Double	Xcelera.com, Inc.	
11	BBH	Double	Biotechnology HOLDERS Trust	Botta Trading - Lacerta
12	FAQ	Double	Freemarkets, Inc.	
13	AZU	Double	Abgenix, Inc.	Botta Trading - Scorpius
14	SZI	Triple	PMC – Sierra, Inc.	
15	UML	Double	Emulex Corporation	
16	YMI	Triple	PMC – Sierra, Inc. LEAPS	
17	NJQ	Double	Network Appliance Corp.	Bridgeport DPM, L.L.C.
18	SWQ	Double	Sandisk Corp.	
19	FCQ	1 1/2	Checkfree Corp.	Brown Trading Group
20	QHD	Double	Polycom Corp.	
	Class	Relief	Name	DPM

21	QMN	Double	Millenium Pharmaceuticals	Callahan DPM, L.L.C.
22	QVR	Double	Verisign, Inc.	Calusa L.L.C.
23	IRU	Double	Ariba, Inc.	Cloch Trading, L.L.C.
24	IRU	Double	Ariba, Inc. LEAPS	
25	QUA	Double	Plexus Corporation	
26	SGQ	Double	Siebel Systems, Inc.	
27	SUJ	Double	Sapient Corporation	
28	BNQ	Double	Rambus, Inc.	Eclipse J.V.
29	FUJ	Triple	Cacheflow, Inc.	
30	QYJ	Double	I2 Technologies Inc.	
31	TIU	Double	Tibco Software, Inc.	
32	XUC	Double	Clarify, Inc. LEAPS	
33	QSS	Double	TUT Systems, Inc.	Flash Trading, L.L.C.
34	QUM	Double	Micromuse, Inc.	G Bar LP
35	QNW	Double	Newport Corp.	Geneva DPM, L.L.C.
36	TV	Double	Grupo Televisa S.A.	
37	VNT	Double	Telefonos de Venezuela	
38	BBQ	Double	Business Objects	Group One Trading, LP
39	KEQ	Double	Checkpoint Software Tech.	
40	QFW	Double	Osicom Tech Corp	
41	QIC	Double	Nice Systems, LTD	
42	QIX	Double	Intermedia Communications	
43	IUJ	Double	Internet Initiative of Japan ADR	
44	SZQ	Double	Stratos Lightwave, Inc.	Heartland TFM, L.L.C.
45	HXQ	Double	HI/FN Inc.	ING TT&S (U.S.) Securities
46	IDQ	Triple	IDEC Pharmaceuticals	Johnson Trading JV
47	UBF	Triple	Brocade Communications	
48	JSJ	Triple	Network Solutions, Inc.	KFT DPM, L.L.C.
49	MZU	Double	Medarex	Knight Financial
50	NGH	Double	Nabisco Group Holdings	
51	NGH	Double	Nabisco Group Holdings LEAPS	
52	RCQ	Double	Broadcom, Inc.	
53	DXX	Triple	Telebras HOLDRs	
54	PPU	Double	PurchasePro.com, Inc.	Letco DPM, LP
55	TMV	Double	TeleNorte Leste Participacoes	
56	TSP	Triple	Telecomunicacoes De Sao Paulo	
57	QET	Double	Efficient Networks, Inc.	
58	UJS	Double	Sonus Networks Inc.	Option Funding Group, LP
59	UMN	Double	Phone.com, Inc.	
60	EUQ	Double	Ciena, Inc.	
61	EXF	Double	Exodus Comm., Inc. LEAPS	PEAK6 Capital, L.L.C.
62	DUO	Double	New Focus, Inc.	
63	JUP	Double	Juniper Networks	
64	JUP	Triple	Juniper Networks LEAPS	

Class	Relief	Name	DPM
-------	--------	------	-----

65	HQU	Double	Zixit Corp.	Platinum Trading, L.L.C.
66	UPA	Double	Critical Path Inc.	
67	EUT	Double	Extreme Networks	Saliba Partners, L.L.C.
68	FQI	Double	Gilat Satellite Networks Ltd.	
69	GQP	Double	Peregrine Systems, Inc.	
70	QGX	Double	Allegiance Telecom Inc.	
71	PTR	Double	Petrochina	Schwartz Trading Group
72	AEX	Double	Applied Micro Circuit Devices	Southwest DPM, L.L.C.
73	GQG	Double	Go2Net, Inc.	Spear, Leeds & Kellogg 11/1
74	MEQ	Double	Medimmune Inc.	
75	QAX	Double	Andrx Group	
76	TQK	Double	Tollgrade Communications	
77	UNQ	Double	JDS Uniphase	
78	DNA	Double	Genentech, Inc.	Spear, Leeds & Kellogg 11/5
79	SPW	Double	SPX Corporation	
80	XQL	Double	Lernout & Houspie Speech	Spear, Leeds & Kellogg 2/6
81	YFC	Double	E-TEK Dynamics, Inc.	
82	ZUQ	Double	Manugistics Grp Inc.	Specialist DPM
83	UDA	Double	Aurora Biosciences	Stone Hedge Securities, L.L.C.
84	OQ	Double	Foundry Networks, Inc.	Susquehanna C
85	QSM	Double	Sycamore Networks, Inc.	
86	U	Double	US Air - LEAPS	
87	QYK	Double	Inktomi Corporation	Susquehanna CMGI
88	RQB	Double	Mercury Interactive Corp.	
89	TMC	Double	Times Mirror Co.	Susquehanna IKN
90	UPO	Double	United Pan Europe Comm.	
91	DGU	Double	Digital Lightwave	Susquehanna KM
92	NA	Double	Nabisco	
93	RUC	Double	Commerce One, Inc.	
94	BGX	Double	Software Dot Com	Susquehanna MSQ
95	BUK	Double	Redback Networks, Inc.	
96	EKU	Double	Krispy Kreme Doughnuts, Inc.	
97	FQY	Double	Finisar Corporation	
98	UEP	Double	E.piphany, Inc.	
99	YAL	Triple	SDL, Inc.	
100	ABI	Double	Applera Corp.	Susquehanna VMB
101	ENZ	Double	Enzo Biochem Inc.	
102	HEX	Double	Aether Systems	
103	PQI	Double	Protein Design Labs, Inc.	TFM Investment Group
104	UMU	Triple	Akamai Technologies LEAPS	
105	UYN	Double	Avanex Corporation	
106	CRA	Double	PE Celera Genomics	Timber Hill, L.L.C.
107	UIN	Double	LeapsWireless International, Inc.	
108	TAR	Double	Telefonica de Argentina S.A.	Wolverine Trading, LP

	Class	Relief	Name	DPM
109	OSU	Double	Storage Networks	ZH Partners, J.V.

110	TFS	Double	Three-Five Systems
111	MQM	Double	Metricom

Index Bid/Ask Relief:

	Class	Relief	Symbol Name	DPM
1	CEX	Double	S&P Chemical Index	Timber Hill, L.L.C.
2	GIN	Triple	Goldman Sachs Internet Index	
3	GIP	Double	GSTI Multimedia Networking Index	
4	GSO	Double	GSTI Software Index	
5	GTC	Double	GSTI Composite Index	
6	HCX	Triple	S&P Health Care Index	
7	TXX	Triple	CBOE Technology Index	
8	BIX	Triple	S&P Banks Index	Trade Mark Financial Group
9	DUX	Triple	Dow Jones Utility Average	
10	ECM	Triple	Dow Jones Internet Commerce Index	
11	GHA	Triple	GSTI Semiconductor Index	
12	GSM	Triple	GSTI Hardware Index	
13	INX	Triple	CBOE Internet Index	
14	MEX	Triple	CBOE Mexico Index	
15	OIX	Triple	CBOE Oil Index	
16	RLX	Triple	S&P Retail Index	

Replaces Regulatory Circular 00-179

MPCIDECRLF121300