



Regulatory Circular RG05-64

DATE: July 27, 2005

TO: Members and Member Firms

FROM: Market Operations Department

RE: Restrictions on Transactions in
Aphton Corporation (APHT)

On the opening of business on July 25, 2005 the listing of Aphton Corporation (APHT) was transferred to the Nasdaq SmallCAP Market.

As previously announced by CBOE, trading on CBOE in existing series of APHT (VHX, WQM) options has been subject to the following restrictions since July 25, 2005. Only closing transactions may be effected in any series of APHT (VHX, WQM) 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 APHT (VHX, WQM) 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 APHT (VHX, WQM) options. The provisions of this circular apply to any options on Aphton traded on CBOE.

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