



Regulatory Circular RG11- 083

DATE: July 1, 2011
TO: Trading Permit Holders
FROM: Market Operations Department
RE: Restrictions on Transactions in
China-Biotics, Inc. ("CHBT")

Effective July 1, 2011 the NASDAQ will delist China-Biotics, Inc. ("CHBT"). Trading in China-Biotics, Inc. will commence on the Other OTC market under the symbol CHBT.

Trading on the CBOE in existing series of CHBT options will be subject to the following restrictions. Only closing transactions may be effected in any series of CHBT options except for (i) opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and (ii) opening transactions by CBOE TPH 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 CHBT 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. TPH organizations should ensure that they have appropriate procedures in place to prevent their customers from entering opening orders in this restricted option class. In addition, transactions in contravention of this restriction may be subject to nullification pursuant to Exchange Rule 6.25.

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

Any questions regarding this circular may be directed to Kerry Winters at (312) 786-7312 or Regulatory Services Division at (312) 786-7730 or (312) 786-8460.

CBOE restricted class memos can be accessed from CBOE.org at the following web address:

<http://www.cboe.org/Restrictions>