

MEMORANDUM

To: All Members, Participants and Related Parties

From: BOX Market Operations Center

Date: February 4, 2005

Re: eBay (QXB/XBA/EBAY) - 2 for 1 Stock Split

eBay (QXB/EBAY) declared a 2 for 1 stock split payable to share holders of record on Monday, January 31, 2005. Distribution date for the stock split will be Wednesday, February 16, 2005. Ex-distribution date for the stock split will be Thursday, February 17, 2005.

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional QXB option contract for each option contract held. Further, on the ex-distribution date each QXB/XBA series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each QXB/XBA series existing on the business day preceding the ex-distribution date. For example, beginning on Thursday, February 17, 2005 an account holding (2) QXB FEB 45 calls (QXB BI) will hold (4) QXB FEB 22 1/2 calls (QXB BB). Customers should be advised that (1) contract in the adjusted QXB/XBA series will still represent 100 shares of EBAY common shares.

Adjustment Date: Effective on Thursday, February 17, 2005

Underlying Stock Symbol: Remains the same- EBAY

OPRA Option Symbol: Remains the same- QXB/XBA

Number of Contracts: 2

Strike Prices: Reduced by dividing existing strikes by 2 and rounded to the eighth

Multiplier: 100 (e.g. Premium of 1.00=\$100)

New Deliverable: Remains the same- 100 Shares of eBay

POSITION/EXERCISE LIMITS:

Position and exercise limits will change to 300,000 contracts (30,000,000 shares) until the January 21, 2006 expiration. At which time the position limit is to become 150,000 contracts (15,000,000 shares) until the January 20, 2007 expiration. Following that expiration the position limit will revert to the 75,000 contracts (7,500,000 shares) standard.

GOOD-TILL-CANCELLED (GTC) ORDERS:

On Wednesday, February 16, 2005, after the BOX market close, all resting orders for the QXB options in the BOX order book will be cancelled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted QXB series, the BOX Participant will need to reenter the orders before the open on Thursday, February 17, 2005.

Please be advised any additional series added prior to the ex-date will also be adjusted in the manner described above. The resulting list of adjusted strike prices and symbols is as follows:

eBay (EBAY/QXB/XBA) (Before 2/17/2005) (1 Contract)					eBay (EBAY/QXB/XBA) (Beginning 2/17/2005) (2 Contracts)				
			Calls	Puts			Calls	Puts	
QXB	FEB	45	BI	NI	QXB	FEB	22 1/2	BB	NB
QXB	FEB	50	BJ	NJ	QXB	FEB	25	BE	NE
QXB	FEB	55	BK	NK	QXB	FEB	27 1/2	BC	NC
XBA	FEB	60	BL	NL	XBA	FEB	30	BF	NF

eBay (EBAY/QXB/XBA)
(Before 2/17/2005)
(1 Contract)

eBay (EBAY/QXB/XBA)
(Beginning 2/17/2005)
(2 Contracts)

			Calls	Puts				Calls	Puts
XBA	FEB	65	BM	NM	XBA	FEB	32 1/2	BZ	NZ
XBA	FEB	70	BN	NN	XBA	FEB	35	BG	NG
XBA	FEB	75	BO	NO	XBA	FEB	37 1/2	BU	NU
XBA	FEB	80	BP	NP	XBA	FEB	40	BH	NH
XBA	FEB	85	BQ	NQ	XBA	FEB	42 1/2	BV	NV
XBA	FEB	90	BR	NR	XBA	FEB	45	BI	NI
XBA	FEB	95	BS	NS	XBA	FEB	47 1/2	BW	NW
XBA	FEB	100	BT	NT	XBA	FEB	50	BJ	NJ
XBA	FEB	105	BA	NA	XBA	FEB	52 1/2	BX	NX
XBA	FEB	110	BB	NB	XBA	FEB	55	BK	NK
XBA	FEB	115	BC	NC	XBA	FEB	57 1/2	BY	NY
XBA	FEB	120	BD	ND	XBA	FEB	60	BL	NL
XBA	FEB	125	BE	NE	XBA	FEB	62 1/2	BQ	NQ
XBA	FEB	130	BF	NF	XBA	FEB	65	BM	NM
XBA	FEB	135	BG	NG	XBA	FEB	67 1/2	BR	NR
XBA	FEB	140	BH	NH	XBA	FEB	70	BN	NN
XBA	FEB	145	BI	NI	XBA	FEB	72 1/2	BS	NS
QXB	MAR	45	CI	OI	QXB	MAR	22 1/2	CB	OB
QXB	MAR	50	CJ	OJ	QXB	MAR	25	CE	OE
QXB	MAR	55	CK	OK	QXB	MAR	27 1/2	CC	OC
XBA	MAR	60	CL	OL	XBA	MAR	30	CF	OF
XBA	MAR	65	CM	OM	XBA	MAR	32 1/2	CZ	OZ
XBA	MAR	70	CN	ON	XBA	MAR	35	CG	OG
XBA	MAR	75	CO	OO	XBA	MAR	37 1/2	CU	OU
XBA	MAR	80	CP	OP	XBA	MAR	40	CH	OH
XBA	MAR	85	CQ	OQ	XBA	MAR	42 1/2	CV	OV
XBA	MAR	90	CR	OR	XBA	MAR	45	CI	OI
XBA	MAR	95	CS	OS	XBA	MAR	47 1/2	CW	OW
XBA	MAR	100	CT	OT	XBA	MAR	50	CJ	OJ
XBA	MAR	105	CA	OA	XBA	MAR	52 1/2	CX	OX
XBA	MAR	110	CB	OB	XBA	MAR	55	CK	OK
XBA	MAR	115	CC	OC	XBA	MAR	57 1/2	CY	OY
XBA	MAR	120	CD	OD	XBA	MAR	60	CL	OL
XBA	MAR	125	CE	OE	XBA	MAR	62 1/2	CQ	OQ
XBA	MAR	130	CF	OF	XBA	MAR	65	CM	OM
XBA	MAR	135	CG	OG	XBA	MAR	67 1/2	CR	OR
QXB	APR	45	DI	PI	QXB	APR	22 1/2	DB	PB
QXB	APR	50	DJ	PJ	QXB	APR	25	DE	PE
QXB	APR	55	DK	PK	QXB	APR	27 1/2	DC	PC
XBA	APR	60	DL	PL	XBA	APR	30	DF	PF
XBA	APR	65	DM	PM	XBA	APR	32 1/2	DZ	PZ
XBA	APR	70	DN	PN	XBA	APR	35	DG	PG
XBA	APR	75	DO	PO	XBA	APR	37 1/2	DU	PU
XBA	APR	80	DP	PP	XBA	APR	40	DH	PH
XBA	APR	85	DQ	PQ	XBA	APR	42 1/2	DV	PV
XBA	APR	90	DR	PR	XBA	APR	45	DI	PI
XBA	APR	95	DS	PS	XBA	APR	47 1/2	DW	PW
XBA	APR	100	DT	PT	XBA	APR	50	DJ	PJ
XBA	APR	105	DA	PA	XBA	APR	52 1/2	DX	PX

eBay (EBAY/QXB/XBA)
(Before 2/17/2005)
(1 Contract)

			Calls	Puts
XBA	APR	110	DB	PB
XBA	APR	115	DC	PC
XBA	APR	120	DD	PD
XBA	APR	125	DE	PE
XBA	APR	130	DF	PF
XBA	APR	135	DG	PG
XBA	APR	140	DH	PH
XBA	APR	145	DI	PI
XBA	APR	150	DZ	PZ
QXB	JUL	45	GI	SI
QXB	JUL	50	GJ	SJ
QXB	JUL	55	GK	SK
XBA	JUL	60	GL	SL
XBA	JUL	65	GM	SM
XBA	JUL	70	GN	SN
XBA	JUL	75	GO	SO
XBA	JUL	80	GP	SP
XBA	JUL	85	GQ	SQ
XBA	JUL	90	GR	SR
XBA	JUL	95	GS	SS
XBA	JUL	100	GT	ST
XBA	JUL	105	GA	SA
XBA	JUL	110	GB	SB
XBA	JUL	115	GC	SC
XBA	JUL	120	GD	SD
XBA	JUL	125	GE	SE
XBA	JUL	130	GF	SF
XBA	JUL	135	GG	SG
XBA	JUL	140	GH	SH
XBA	JUL	145	GI	SI
XBA	JUL	150	GZ	SZ
XBA	JUL	155	GK	SK
XBA	JUL	160	GX	SX

eBay (EBAY/QXB/XBA)
(Beginning 2/17/2005)
(2 Contracts)

			Calls	Puts
XBA	APR	55	DK	PK
XBA	APR	57 1/2	DY	PY
XBA	APR	60	DL	PL
XBA	APR	62 1/2	DQ	PQ
XBA	APR	65	DM	PM
XBA	APR	67 1/2	DR	PR
XBA	APR	70	DN	PN
XBA	APR	72 1/2	DS	PS
XBA	APR	75	DO	PO
QXB	JUL	22 1/2	GB	SB
QXB	JUL	25	GE	SE
QXB	JUL	27 1/2	GC	SC
XBA	JUL	30	GF	SF
XBA	JUL	32 1/2	GZ	SZ
XBA	JUL	35	GG	SG
XBA	JUL	37 1/2	GU	SU
XBA	JUL	40	GH	SH
XBA	JUL	42 1/2	GV	SV
XBA	JUL	45	GI	SI
XBA	JUL	47 1/2	GW	SW
XBA	JUL	50	GJ	SJ
XBA	JUL	52 1/2	GX	SX
XBA	JUL	55	GK	SK
XBA	JUL	57 1/2	GY	SY
XBA	JUL	60	GL	SL
XBA	JUL	62 1/2	GQ	SQ
XBA	JUL	65	GM	SM
XBA	JUL	67 1/2	GR	SR
XBA	JUL	70	GN	SN
XBA	JUL	72 1/2	GS	SS
XBA	JUL	75	GO	SO
XBA	JUL	77 1/2	GT	ST
XBA	JUL	80	GP	SP

eBay - 2006 Leap (EBAY/YEU/YEK/YRL)
(Before 2/17/2005)
(1 Contract)

			Calls	Put
YEK	JAN	35	AG	MG
YEU	JAN	40	AH	MH
YEU	JAN	45	AI	MI
YEU	JAN	50	AJ	MJ
YEU	JAN	55	AK	MK
YEU	JAN	60	AL	ML
YEU	JAN	65	AM	MM
YEU	JAN	70	AN	MN
YEU	JAN	75	AO	MO
YEU	JAN	80	AP	MP
YEU	JAN	85	AQ	MQ

eBay - 2006 Leap (EBAY/YEU/YEK/YRL)
(Beginning 2/17/2005)
(2 Contracts)

			Calls	Put
YEK	JAN	17 1/2	AA	MA
YEU	JAN	20	AD	MD
YEU	JAN	22 1/2	AB	MB
YEU	JAN	25	AE	ME
YEU	JAN	27 1/2	AC	MC
YEU	JAN	30	AF	MF
YEU	JAN	32 1/2	AZ	MZ
YEU	JAN	35	AG	MG
YEU	JAN	37 1/2	AU	MU
YEU	JAN	40	AH	MH
YEU	JAN	42 1/2	AV	MV

eBay - 2006 Leap (EBAY/YEU/YEK/YRL)
 (Before 2/17/2005)
 (1 Contract)

			Calls	Put
YRL	JAN	90	AR	MR
YRL	JAN	95	AS	MS
YRL	JAN	100	AT	MT
YRL	JAN	105	AA	MA
YRL	JAN	110	AB	MB
YRL	JAN	115	AC	MC
YRL	JAN	120	AD	MD
YRL	JAN	125	AE	ME
YRL	JAN	130	AF	MF
YRL	JAN	135	AG	MG
YRL	JAN	140	AH	MH
YRL	JAN	145	AI	MI
YRL	JAN	150	AZ	MZ

eBay - 2006 Leap (EBAY/YEU/YEK/YRL)
 (Beginning 2/17/2005)
 (2 Contracts)

			Calls	Put
YRL	JAN	45	AI	MI
YRL	JAN	47 1/2	AW	MW
YRL	JAN	50	AJ	MJ
YRL	JAN	52 1/2	AX	MX
YRL	JAN	55	AK	MK
YRL	JAN	57 1/2	AY	MY
YRL	JAN	60	AL	ML
YRL	JAN	62 1/2	AQ	MQ
YRL	JAN	65	AM	MM
YRL	JAN	67 1/2	AR	MR
YRL	JAN	70	AN	MN
YRL	JAN	72 1/2	AS	MS
YRL	JAN	75	AO	MO

eBay - 2007 Leap (EBAY/OYI)
 (Before 2/17/2005)
 (1 Contract)

			Calls	Put
OYI	JAN	50	AJ	MJ
OYI	JAN	55	AK	MK
OYI	JAN	60	AL	ML
OYI	JAN	65	AM	MM
OYI	JAN	70	AN	MN
OYI	JAN	75	AO	MO
OYI	JAN	80	AP	MP
OYI	JAN	85	AQ	MQ
OYI	JAN	90	AR	MR
OYI	JAN	95	AS	MS
OYI	JAN	100	AT	MT
OYI	JAN	105	AA	MA
OYI	JAN	110	AB	MB
OYI	JAN	115	AC	MC
OYI	JAN	120	AD	MD
OYI	JAN	125	AE	ME
OYI	JAN	130	AF	MF
OYI	JAN	135	AG	MG
OYI	JAN	140	AH	MH
OYI	JAN	145	AI	MI
OYI	JAN	150	AZ	MZ

eBay - 2007 Leap (EBAY/OYI)
 (Beginning 2/17/2005)
 (2 Contracts)

			Calls	Put
OYI	JAN	25	AE	ME
OYI	JAN	27 1/2	AC	MC
OYI	JAN	30	AF	MF
OYI	JAN	32 1/2	AZ	MZ
OYI	JAN	35	AG	MG
OYI	JAN	37 1/2	AU	MU
OYI	JAN	40	AH	MH
OYI	JAN	42 1/2	AV	MV
OYI	JAN	45	AI	MI
OYI	JAN	47 1/2	AW	MW
OYI	JAN	50	AJ	MJ
OYI	JAN	52 1/2	AX	MX
OYI	JAN	55	AK	MK
OYI	JAN	57 1/2	AY	MY
OYI	JAN	60	AL	ML
OYI	JAN	62 1/2	AQ	MQ
OYI	JAN	65	AM	MM
OYI	JAN	67 1/2	AR	MR
OYI	JAN	70	AN	MN
OYI	JAN	72 1/2	AS	MS
OYI	JAN	75	AO	MO

Questions regarding this release may be directed to the BOX Market Operations Center at 1-781-759-1401 or 1-866-768-8845 Toll Free.