CBOE Regulatory Circular RG12-147
C2 Regulatory Circular RG12-050

Date: October 29, 2012

To: CBOE and C2 Trading Permit Holders
From: Regulatory Services Division
RE: Processing on October 29, 2012 and October 30, 2012 – Hurricane Sandy Update

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This circular updates CBOE Regulatory Circulars RG12-144 and RG12-146, and C2 Regulatory Circular RG12-049.

The OCC has issued updated information memos regarding OCC processing timeframes, exercise notices/settlement dates, stock loan and prices for Monday, October 29, 2012 and Tuesday, October 30, 2012. Please refer to OCC Information Memos # 31464 and 31468, which are available on the OCC website at www.theocc.com.

Please take note that OCC will allow option exercises in the normal fashion on Monday, October 29, 2012 and Tuesday, October 30, 2012. Options exchanges may elect to restrict exercises of non-expiring, American-style index options pursuant to their rules. In that regard, CBOE has issued CBOE Regulatory Circular RG12-144, which indicates that the exercise of non-expiring American-style, cash-settled index options is prohibited pursuant to Rule 4.16(b) for Monday. As an update to Regulatory Circular RG12-144, please note that the same prohibitions will apply for Tuesday as well. Please also note that, at this time, CBOE and C2 have not determined to place any other restrictions on the exercise of other American-style options.

Please also take note that OCC has indicated that expiring FLEX Equity Options will utilize the closing price from Friday, October 26, 2012 for Ex by EX processing (see OCC Information Memo # 31463). FLEX Index Options expiring on October 29, 2012 and October 30, 2012 will be settled based on closing index values as of Friday, October 26, 2012 (see OCC Information Memo # 31468 for more details).

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For further information, please refer to CBOE Rule 4.16, CBOE Regulatory Circulars RG12-144 and RG126, CBOE Information Circulars IC12-088 and IC12-089, C2 Regulatory Circular RG12-049, and C2 Information Circulars IC12-011 and IC12-012. Please also refer to the OCC website generally for additional information related to processing including, for example, OCC Information Memo # 31467 (Sears Holdings Corporation, Inc. – Distribution, Option Symbol: SHLD, Date: 10/30/12).

Questions regarding this Regulatory Circular should be directed to CBOE's Regulatory Interpretations and Guidance team at (312) 786-8141 or reginterps@cboe.com.