DATE: October 9, 2012
TO: Permit Holders
FROM: Scott Speer

RE: **Sears Holdings Corporation ("SHLD & adj. SHLD1/SHLD2")**
Rights Expiration and Position Consolidation

On Thursday, September 13, 2012, the option contracts for Sears Holdings Corporation ("SHLD & adj. SHLD1/SHLD2") were adjusted to reflect a distribution of transferable Rights ("SHOSR") to SHLD Shareholders of record September 7, 2012. The distribution was made at a rate of one (1) Right for each Common Share of SHLD. Each right entitled the holder to purchase .218091 of a share of Sears Hometown and Outlet Stores, Inc. at a subscription price of $15.00 per share. Fractional shares or cash in lieu of fractional shares were not issued in the rights offering. Instead, fractional shares resulting from the exercise of subscription rights were eliminated by rounding down to the nearest whole share. The Rights expired on Monday, October 8, 2012. The subscription Rights were mailed on Tuesday, September 11, 2012; and the Common Shares of SHLD will be quoted "ex-rights" on Thursday, September 13, 2012.

The Subscription Rights began trading on the NASDAQ Capital Market under the symbol "SHOSR" on September 12, 2012.

Shares of Sears Hometown common stock were listed on the NASDAQ Capital Market under the symbol "SHOS".

All SHLD & adj. SHLD1 option series as of Thursday, September 13, 2012, were adjusted/further adjusted as follows:

A) The **SHLD** series was adjusted to require the per-contract delivery or receipt of the following: (A) 100 shares of Sears Holdings Corporation ("SHLD") Common Stock; plus (B) 100 Rights ("SHOSR"). Strike prices remained the same. Premiums for the adjusted SHLD options continued to be calculated on the basis of a contract multiplier of 100, *i.e.*, for premium and strike extensions, 1.00 equals $100. The option symbol changed to **SHLD2**.

B) The previously adjusted **SHLD1** series were further adjusted to require the per-contract delivery or receipt of: (A) 100 shares of Sears Holdings Corporation ("SHLD") Common Stock; plus (B) 100 Rights ("SHOSR"); plus (C) 4 shares of Orchard Supply Hardware Stores Corporation Class A ("OSH") Common Stock; plus (D) 4 shares of Orchard Supply Hardware Stores Corporation Series A Preferred ("OSHSP"); plus (E) $14.73 cash. The SHLD1 option symbol and strike prices remained the same. Premiums and strike-price amounts for the further adjusted SHLD1 options continued to be calculated on the basis of a multiplier of 100, *i.e.*, for premium and strike-price extensions, 1.00 equals $100.

[Any FLEX series that may exist were adjusted in a similar manner to the standardized option.]

Contract Adjustment

In order to reflect the expiration of the Rights, pursuant to Article VI, Section 11 and 11A of OCC's By-Laws, **all SHLD2 options outstanding as of Tuesday, October 9, 2012 will require the per-contract delivery or receipt of the following: (A) 100 Shares of Sears Holdings Corporation ("SHLD") Common Stock**. (No residual cash value is attached to the SHLD2 contracts to reflect

the expired Rights, and the expired Rights are no longer part of the SHLD2 contract deliverable.) Strike prices remain the same, and the SHLD2 option symbol remains the same. Premiums for the adjusted SHLD2 options continue to be calculated on the basis of a contract multiplier of 100, *i.e.,* for premium and strike extensions, 1.00 equals $100. In order to reflect this adjustment, **the SHLD2 option symbol will revert to SHLD, respectively, effective for Wednesday, October 10, 2012**.

For the further adjusted SHLD1 options, **all SHLD1 options outstanding as of Tuesday, October 9, 2012 will require the per-contract delivery or receipt of the following: A) 100 shares of Sears Holdings Corporation ("SHLD") Common Stock; plus (B) 4 shares of Orchard Supply Hardware Stores Corporation Class A ("OSH") Common Stock; plus (C) 4 shares of Orchard Supply Hardware Stores Corporation Series A Preferred ("OSHSP"); plus (D) $14.73.** (No residual cash value is attached to the SHLD1 contracts to reflect the expired Rights, and the expired Rights are no longer part of the SHLD1 contract deliverable.) Strike prices remain the same, and the SHLD1 option symbol remains the same. Premiums for the adjusted SHLD1 options continue to be calculated on the basis of a contract multiplier of 100, *i.e.,* for premium and strike extensions, 1.00 equals $100. In order to reflect this adjustment, **the SHLD1 option symbol will remain the same, effective for Wednesday, October 10, 2012**.

Position Consolidation

Effective with the above, options trading under the symbol SHLD and SHLD2 on Tuesday, October 9, 2012, will have identical deliverables (*i.e.,* 100 SHLD Common Shares). Effective Wednesday, October 10, 2012, at 8:30 A.M. Chicago time, the OCC will consolidate all outstanding SHLD2 positions into SHLD; eliminating the option trading symbol SHLD2. The symbol SHLD will be the surviving symbol.

All Permit Holder input for existing SHLD2 options must use the symbol SHLD for activity on Wednesday, October 10, 2012, and thereafter. Also on October 10, 2012, the OCC will delete any unmatched transfers for SHLD2 options from the unmatched transfer reports.

PLEASE NOTE

Market Makers are restricted from holding long and short positions in the same series of a particular issue. For Market Maker accounts only, the OCC will net long and short SHLD and SHLD2 positions in the same series after the SHLD/SHLD2 consolidation. (Customer and Firm positions will be combined but not netted.) Long positions may be eliminated in this netting process. Accordingly, Market Makers holding SHLD or SHLD2 positions should be aware of this netting process and the attendant results in order to avoid rejection of an exercise notice due to insufficient positions.

Adjusted Option Symbols

At 8:30 A.M. on Wednesday, October 10, 2012, the following adjustments to the option symbol will be effected:

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	30.00	2012-10-20	C/P	=>	SHLD	30.00	2012-10-20	C/P
SHLD2	35.00	2012-10-20	C/P	=>	SHLD	35.00	2012-10-20	C/P
SHLD2	40.00	2012-10-20	C/P	=>	SHLD	40.00	2012-10-20	C/P
SHLD2	45.00	2012-10-20	C/P	=>	SHLD	45.00	2012-10-20	C/P
SHLD2	50.00	2012-10-20	C/P	=>	SHLD	50.00	2012-10-20	C/P

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	52.50	2012-10-20	C/P	=>	SHLD	52.50	2012-10-20	C/P
SHLD2	55.00	2012-10-20	C/P	=>	SHLD	55.00	2012-10-20	C/P
SHLD2	57.50	2012-10-20	C/P	=>	SHLD	57.50	2012-10-20	C/P
SHLD2	60.00	2012-10-20	C/P	=>	SHLD	60.00	2012-10-20	C/P
SHLD2	62.50	2012-10-20	C/P	=>	SHLD	62.50	2012-10-20	C/P
SHLD2	65.00	2012-10-20	C/P	=>	SHLD	65.00	2012-10-20	C/P
SHLD2	67.50	2012-10-20	C/P	=>	SHLD	67.50	2012-10-20	C/P
SHLD2	70.00	2012-10-20	C/P	=>	SHLD	70.00	2012-10-20	C/P
SHLD2	75.00	2012-10-20	C/P	=>	SHLD	75.00	2012-10-20	C/P
SHLD2	80.00	2012-10-20	C/P	=>	SHLD	80.00	2012-10-20	C/P
SHLD2	24.00	2012-12-22	C/P	=>	SHLD	24.00	2012-12-22	C/P
SHLD2	25.00	2012-12-22	C/P	=>	SHLD	25.00	2012-12-22	C/P
SHLD2	26.00	2012-12-22	C/P	=>	SHLD	26.00	2012-12-22	C/P
SHLD2	27.00	2012-12-22	C/P	=>	SHLD	27.00	2012-12-22	C/P
SHLD2	28.00	2012-12-22	C/P	=>	SHLD	28.00	2012-12-22	C/P
SHLD2	29.00	2012-12-22	C/P	=>	SHLD	29.00	2012-12-22	C/P
SHLD2	30.00	2012-12-22	C/P	=>	SHLD	30.00	2012-12-22	C/P
SHLD2	31.00	2012-12-22	C/P	=>	SHLD	31.00	2012-12-22	C/P
SHLD2	32.00	2012-12-22	C/P	=>	SHLD	32.00	2012-12-22	C/P
SHLD2	33.00	2012-12-22	C/P	=>	SHLD	33.00	2012-12-22	C/P
SHLD2	34.00	2012-12-22	C/P	=>	SHLD	34.00	2012-12-22	C/P
SHLD2	35.00	2012-12-22	C/P	=>	SHLD	35.00	2012-12-22	C/P
SHLD2	36.00	2012-12-22	C/P	=>	SHLD	36.00	2012-12-22	C/P
SHLD2	37.00	2012-12-22	C/P	=>	SHLD	37.00	2012-12-22	C/P
SHLD2	38.00	2012-12-22	C/P	=>	SHLD	38.00	2012-12-22	C/P
SHLD2	39.00	2012-12-22	C/P	=>	SHLD	39.00	2012-12-22	C/P
SHLD2	40.00	2012-12-22	C/P	=>	SHLD	40.00	2012-12-22	C/P
SHLD2	41.00	2012-12-22	C/P	=>	SHLD	41.00	2012-12-22	C/P
SHLD2	42.00	2012-12-22	C/P	=>	SHLD	42.00	2012-12-22	C/P
SHLD2	43.00	2012-12-22	C/P	=>	SHLD	43.00	2012-12-22	C/P
SHLD2	44.00	2012-12-22	C/P	=>	SHLD	44.00	2012-12-22	C/P
SHLD2	45.00	2012-12-22	C/P	=>	SHLD	45.00	2012-12-22	C/P
SHLD2	46.00	2012-12-22	C/P	=>	SHLD	46.00	2012-12-22	C/P
SHLD2	47.00	2012-12-22	C/P	=>	SHLD	47.00	2012-12-22	C/P
SHLD2	48.00	2012-12-22	C/P	=>	SHLD	48.00	2012-12-22	C/P
SHLD2	49.00	2012-12-22	C/P	=>	SHLD	49.00	2012-12-22	C/P
SHLD2	50.00	2012-12-22	C/P	=>	SHLD	50.00	2012-12-22	C/P
SHLD2	52.50	2012-12-22	C/P	=>	SHLD	52.50	2012-12-22	C/P
SHLD2	55.00	2012-12-22	C/P	=>	SHLD	55.00	2012-12-22	C/P
SHLD2	57.50	2012-12-22	C/P	=>	SHLD	57.50	2012-12-22	C/P
SHLD2	60.00	2012-12-22	C/P	=>	SHLD	60.00	2012-12-22	C/P
SHLD2	62.50	2012-12-22	C/P	=>	SHLD	62.50	2012-12-22	C/P
SHLD2	65.00	2012-12-22	C/P	=>	SHLD	65.00	2012-12-22	C/P
SHLD2	67.50	2012-12-22	C/P	=>	SHLD	67.50	2012-12-22	C/P
SHLD2	70.00	2012-12-22	C/P	=>	SHLD	70.00	2012-12-22	C/P
SHLD2	75.00	2012-12-22	C/P	=>	SHLD	75.00	2012-12-22	C/P
SHLD2	80.00	2012-12-22	C/P	=>	SHLD	80.00	2012-12-22	C/P
SHLD2	85.00	2012-12-22	C/P	=>	SHLD	85.00	2012-12-22	C/P

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	90.00	2012-12-22	C/P	=>	SHLD	90.00	2012-12-22	C/P
SHLD2	15.00	2013-01-19	C/P	=>	SHLD	15.00	2013-01-19	C/P
SHLD2	17.50	2013-01-19	C/P	=>	SHLD	17.50	2013-01-19	C/P
SHLD2	20.00	2013-01-19	C/P	=>	SHLD	20.00	2013-01-19	C/P
SHLD2	22.50	2013-01-19	C/P	=>	SHLD	22.50	2013-01-19	C/P
SHLD2	24.00	2013-01-19	C/P	=>	SHLD	24.00	2013-01-19	C/P
SHLD2	25.00	2013-01-19	C/P	=>	SHLD	25.00	2013-01-19	C/P
SHLD2	26.00	2013-01-19	C/P	=>	SHLD	26.00	2013-01-19	C/P
SHLD2	27.50	2013-01-19	C/P	=>	SHLD	27.50	2013-01-19	C/P
SHLD2	29.00	2013-01-19	C/P	=>	SHLD	29.00	2013-01-19	C/P
SHLD2	30.00	2013-01-19	C/P	=>	SHLD	30.00	2013-01-19	C/P
SHLD2	31.00	2013-01-19	C/P	=>	SHLD	31.00	2013-01-19	C/P
SHLD2	32.50	2013-01-19	C/P	=>	SHLD	32.50	2013-01-19	C/P
SHLD2	34.00	2013-01-19	C/P	=>	SHLD	34.00	2013-01-19	C/P
SHLD2	35.00	2013-01-19	C/P	=>	SHLD	35.00	2013-01-19	C/P
SHLD2	36.00	2013-01-19	C/P	=>	SHLD	36.00	2013-01-19	C/P
SHLD2	37.50	2013-01-19	C/P	=>	SHLD	37.50	2013-01-19	C/P
SHLD2	39.00	2013-01-19	C/P	=>	SHLD	39.00	2013-01-19	C/P
SHLD2	40.00	2013-01-19	C/P	=>	SHLD	40.00	2013-01-19	C/P
SHLD2	41.00	2013-01-19	C/P	=>	SHLD	41.00	2013-01-19	C/P
SHLD2	42.50	2013-01-19	C/P	=>	SHLD	42.50	2013-01-19	C/P
SHLD2	44.00	2013-01-19	C/P	=>	SHLD	44.00	2013-01-19	C/P
SHLD2	45.00	2013-01-19	C/P	=>	SHLD	45.00	2013-01-19	C/P
SHLD2	46.00	2013-01-19	C/P	=>	SHLD	46.00	2013-01-19	C/P
SHLD2	47.50	2013-01-19	C/P	=>	SHLD	47.50	2013-01-19	C/P
SHLD2	49.00	2013-01-19	C/P	=>	SHLD	49.00	2013-01-19	C/P
SHLD2	50.00	2013-01-19	C/P	=>	SHLD	50.00	2013-01-19	C/P
SHLD2	52.50	2013-01-19	C/P	=>	SHLD	52.50	2013-01-19	C/P
SHLD2	55.00	2013-01-19	C/P	=>	SHLD	55.00	2013-01-19	C/P
SHLD2	57.50	2013-01-19	C/P	=>	SHLD	57.50	2013-01-19	C/P
SHLD2	60.00	2013-01-19	C/P	=>	SHLD	60.00	2013-01-19	C/P
SHLD2	62.50	2013-01-19	C/P	=>	SHLD	62.50	2013-01-19	C/P
SHLD2	65.00	2013-01-19	C/P	=>	SHLD	65.00	2013-01-19	C/P
SHLD2	67.50	2013-01-19	C/P	=>	SHLD	67.50	2013-01-19	C/P
SHLD2	70.00	2013-01-19	C/P	=>	SHLD	70.00	2013-01-19	C/P
SHLD2	72.50	2013-01-19	C/P	=>	SHLD	72.50	2013-01-19	C/P
SHLD2	75.00	2013-01-19	C/P	=>	SHLD	75.00	2013-01-19	C/P
SHLD2	77.50	2013-01-19	C/P	=>	SHLD	77.50	2013-01-19	C/P
SHLD2	80.00	2013-01-19	C/P	=>	SHLD	80.00	2013-01-19	C/P
SHLD2	82.50	2013-01-19	C/P	=>	SHLD	82.50	2013-01-19	C/P
SHLD2	85.00	2013-01-19	C/P	=>	SHLD	85.00	2013-01-19	C/P
SHLD2	87.50	2013-01-19	C/P	=>	SHLD	87.50	2013-01-19	C/P
SHLD2	90.00	2013-01-19	C/P	=>	SHLD	90.00	2013-01-19	C/P
SHLD2	92.50	2013-01-19	C/P	=>	SHLD	92.50	2013-01-19	C/P
SHLD2	95.00	2013-01-19	C/P	=>	SHLD	95.00	2013-01-19	C/P
SHLD2	100.00	2013-01-19	C/P	=>	SHLD	100.00	2013-01-19	C/P
SHLD2	105.00	2013-01-19	C/P	=>	SHLD	105.00	2013-01-19	C/P
SHLD2	110.00	2013-01-19	C/P	=>	SHLD	110.00	2013-01-19	C/P

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	115.00	2013-01-19	C/P	=>	SHLD	115.00	2013-01-19	C/P
SHLD2	120.00	2013-01-19	C/P	=>	SHLD	120.00	2013-01-19	C/P
SHLD2	125.00	2013-01-19	C/P	=>	SHLD	125.00	2013-01-19	C/P
SHLD2	25.00	2013-03-16	C/P	=>	SHLD	25.00	2013-03-16	C/P
SHLD2	26.00	2013-03-16	C/P	=>	SHLD	26.00	2013-03-16	C/P
SHLD2	27.00	2013-03-16	C/P	=>	SHLD	27.00	2013-03-16	C/P
SHLD2	28.00	2013-03-16	C/P	=>	SHLD	28.00	2013-03-16	C/P
SHLD2	29.00	2013-03-16	C/P	=>	SHLD	29.00	2013-03-16	C/P
SHLD2	30.00	2013-03-16	C/P	=>	SHLD	30.00	2013-03-16	C/P
SHLD2	31.00	2013-03-16	C/P	=>	SHLD	31.00	2013-03-16	C/P
SHLD2	32.00	2013-03-16	C/P	=>	SHLD	32.00	2013-03-16	C/P
SHLD2	33.00	2013-03-16	C/P	=>	SHLD	33.00	2013-03-16	C/P
SHLD2	34.00	2013-03-16	C/P	=>	SHLD	34.00	2013-03-16	C/P
SHLD2	35.00	2013-03-16	C/P	=>	SHLD	35.00	2013-03-16	C/P
SHLD2	36.00	2013-03-16	C/P	=>	SHLD	36.00	2013-03-16	C/P
SHLD2	37.00	2013-03-16	C/P	=>	SHLD	37.00	2013-03-16	C/P
SHLD2	38.00	2013-03-16	C/P	=>	SHLD	38.00	2013-03-16	C/P
SHLD2	39.00	2013-03-16	C/P	=>	SHLD	39.00	2013-03-16	C/P
SHLD2	40.00	2013-03-16	C/P	=>	SHLD	40.00	2013-03-16	C/P
SHLD2	41.00	2013-03-16	C/P	=>	SHLD	41.00	2013-03-16	C/P
SHLD2	42.00	2013-03-16	C/P	=>	SHLD	42.00	2013-03-16	C/P
SHLD2	43.00	2013-03-16	C/P	=>	SHLD	43.00	2013-03-16	C/P
SHLD2	44.00	2013-03-16	C/P	=>	SHLD	44.00	2013-03-16	C/P
SHLD2	45.00	2013-03-16	C/P	=>	SHLD	45.00	2013-03-16	C/P
SHLD2	46.00	2013-03-16	C/P	=>	SHLD	46.00	2013-03-16	C/P
SHLD2	47.00	2013-03-16	C/P	=>	SHLD	47.00	2013-03-16	C/P
SHLD2	48.00	2013-03-16	C/P	=>	SHLD	48.00	2013-03-16	C/P
SHLD2	49.00	2013-03-16	C/P	=>	SHLD	49.00	2013-03-16	C/P
SHLD2	50.00	2013-03-16	C/P	=>	SHLD	50.00	2013-03-16	C/P
SHLD2	52.50	2013-03-16	C/P	=>	SHLD	52.50	2013-03-16	C/P
SHLD2	55.00	2013-03-16	C/P	=>	SHLD	55.00	2013-03-16	C/P
SHLD2	57.50	2013-03-16	C/P	=>	SHLD	57.50	2013-03-16	C/P
SHLD2	60.00	2013-03-16	C/P	=>	SHLD	60.00	2013-03-16	C/P
SHLD2	62.50	2013-03-16	C/P	=>	SHLD	62.50	2013-03-16	C/P
SHLD2	65.00	2013-03-16	C/P	=>	SHLD	65.00	2013-03-16	C/P
SHLD2	67.50	2013-03-16	C/P	=>	SHLD	67.50	2013-03-16	C/P
SHLD2	70.00	2013-03-16	C/P	=>	SHLD	70.00	2013-03-16	C/P
SHLD2	75.00	2013-03-16	C/P	=>	SHLD	75.00	2013-03-16	C/P
SHLD2	80.00	2013-03-16	C/P	=>	SHLD	80.00	2013-03-16	C/P
SHLD2	85.00	2013-03-16	C/P	=>	SHLD	85.00	2013-03-16	C/P
SHLD2	90.00	2013-03-16	C/P	=>	SHLD	90.00	2013-03-16	C/P
SHLD2	15.00	2014-01-18	C/P	=>	SHLD	15.00	2014-01-18	C/P
SHLD2	17.50	2014-01-18	C/P	=>	SHLD	17.50	2014-01-18	C/P
SHLD2	20.00	2014-01-18	C/P	=>	SHLD	20.00	2014-01-18	C/P
SHLD2	22.50	2014-01-18	C/P	=>	SHLD	22.50	2014-01-18	C/P
SHLD2	25.00	2014-01-18	C/P	=>	SHLD	25.00	2014-01-18	C/P
SHLD2	27.50	2014-01-18	C/P	=>	SHLD	27.50	2014-01-18	C/P

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	30.00	2014-01-18	C/P	=>	SHLD	30.00	2014-01-18	C/P
SHLD2	32.50	2014-01-18	C/P	=>	SHLD	32.50	2014-01-18	C/P
SHLD2	35.00	2014-01-18	C/P	=>	SHLD	35.00	2014-01-18	C/P
SHLD2	37.50	2014-01-18	C/P	=>	SHLD	37.50	2014-01-18	C/P
SHLD2	40.00	2014-01-18	C/P	=>	SHLD	40.00	2014-01-18	C/P
SHLD2	42.50	2014-01-18	C/P	=>	SHLD	42.50	2014-01-18	C/P
SHLD2	45.00	2014-01-18	C/P	=>	SHLD	45.00	2014-01-18	C/P
SHLD2	47.50	2014-01-18	C/P	=>	SHLD	47.50	2014-01-18	C/P
SHLD2	50.00	2014-01-18	C/P	=>	SHLD	50.00	2014-01-18	C/P
SHLD2	52.50	2014-01-18	C/P	=>	SHLD	52.50	2014-01-18	C/P
SHLD2	55.00	2014-01-18	C/P	=>	SHLD	55.00	2014-01-18	C/P
SHLD2	57.50	2014-01-18	C/P	=>	SHLD	57.50	2014-01-18	C/P
SHLD2	60.00	2014-01-18	C/P	=>	SHLD	60.00	2014-01-18	C/P
SHLD2	62.50	2014-01-18	C/P	=>	SHLD	62.50	2014-01-18	C/P
SHLD2	65.00	2014-01-18	C/P	=>	SHLD	65.00	2014-01-18	C/P
SHLD2	67.50	2014-01-18	C/P	=>	SHLD	67.50	2014-01-18	C/P
SHLD2	70.00	2014-01-18	C/P	=>	SHLD	70.00	2014-01-18	C/P
SHLD2	75.00	2014-01-18	C/P	=>	SHLD	75.00	2014-01-18	C/P
SHLD2	80.00	2014-01-18	C/P	=>	SHLD	80.00	2014-01-18	C/P
SHLD2	85.00	2014-01-18	C/P	=>	SHLD	85.00	2014-01-18	C/P
SHLD2	90.00	2014-01-18	C/P	=>	SHLD	90.00	2014-01-18	C/P
SHLD2	95.00	2014-01-18	C/P	=>	SHLD	95.00	2014-01-18	C/P
SHLD2	100.00	2014-01-18	C/P	=>	SHLD	100.00	2014-01-18	C/P
SHLD2	105.00	2014-01-18	C/P	=>	SHLD	105.00	2014-01-18	C/P
SHLD2	110.00	2014-01-18	C/P	=>	SHLD	110.00	2014-01-18	C/P
SHLD2	115.00	2014-01-18	C/P	=>	SHLD	115.00	2014-01-18	C/P
SHLD2	120.00	2014-01-18	C/P	=>	SHLD	120.00	2014-01-18	C/P
SHLD2	45.00	2014-02-22	C/P	=>	SHLD	45.00	2014-02-22	C/P
SHLD2	50.00	2014-02-22	C/P	=>	SHLD	50.00	2014-02-22	C/P
SHLD2	55.00	2014-02-22	C/P	=>	SHLD	55.00	2014-02-22	C/P
SHLD2	60.00	2014-02-22	C/P	=>	SHLD	60.00	2014-02-22	C/P
SHLD2	65.00	2014-02-22	C/P	=>	SHLD	65.00	2014-02-22	C/P
SHLD2	70.00	2014-02-22	C/P	=>	SHLD	70.00	2014-02-22	C/P
SHLD2	75.00	2014-02-22	C/P	=>	SHLD	75.00	2014-02-22	C/P
SHLD2	80.00	2014-02-22	C/P	=>	SHLD	80.00	2014-02-22	C/P
SHLD2	85.00	2014-02-22	C/P	=>	SHLD	85.00	2014-02-22	C/P
SHLD2	90.00	2014-02-22	C/P	=>	SHLD	90.00	2014-02-22	C/P
SHLD2	25.00	2014-06-21	C/P	=>	SHLD	25.00	2014-06-21	C/P
SHLD2	30.00	2014-06-21	C/P	=>	SHLD	30.00	2014-06-21	C/P
SHLD2	35.00	2014-06-21	C/P	=>	SHLD	35.00	2014-06-21	C/P
SHLD2	40.00	2014-06-21	C/P	=>	SHLD	40.00	2014-06-21	C/P
SHLD2	45.00	2014-06-21	C/P	=>	SHLD	45.00	2014-06-21	C/P
SHLD2	50.00	2014-06-21	C/P	=>	SHLD	50.00	2014-06-21	C/P
SHLD2	52.50	2014-06-21	C/P	=>	SHLD	52.50	2014-06-21	C/P
SHLD2	55.00	2014-06-21	C/P	=>	SHLD	55.00	2014-06-21	C/P
SHLD2	57.50	2014-06-21	C/P	=>	SHLD	57.50	2014-06-21	C/P
SHLD2	60.00	2014-06-21	C/P	=>	SHLD	60.00	2014-06-21	C/P

EXISTING SERIES					ADJUSTED SERIES*			
SHLD2	62.50	2014-06-21	C/P	=>	SHLD	62.50	2014-06-21	C/P
SHLD2	65.00	2014-06-21	C/P	=>	SHLD	65.00	2014-06-21	C/P
SHLD2	67.50	2014-06-21	C/P	=>	SHLD	67.50	2014-06-21	C/P
SHLD2	70.00	2014-06-21	C/P	=>	SHLD	70.00	2014-06-21	C/P
SHLD2	75.00	2014-06-21	C/P	=>	SHLD	75.00	2014-06-21	C/P
SHLD2	80.00	2014-06-21	C/P	=>	SHLD	80.00	2014-06-21	C/P
SHLD2	85.00	2014-06-21	C/P	=>	SHLD	85.00	2014-06-21	C/P
SHLD2	90.00	2014-06-21	C/P	=>	SHLD	90.00	2014-06-21	C/P

GTC Order Conversion

On Tuesday, October 9, 2012, immediately after the CBOE close, the system will convert or cancel all resting orders in the SHLD2 order book. If your firm has requested, all booked orders (phone, wire, and electronic) and all ORS orders residing outside the book (booth or crowd routed) will be converted reflecting the adjustments. If your firm has requested, all booked orders and ORS orders residing outside of the book will be canceled. If your firm receives CXL drops, the CXL confirms will print at your booth at 3:15 p.m. ORS CXLs will also be transmitted electronically to your branches.

A report will be available at the Help Desk listing the orders that are converted or canceled. If converted, this list will also show how the new orders will be adjusted. This report will be available on request anytime during the day prior to the night of the adjustment.

Position and Exercise Limits

The Exchange has established that the position and exercise limits following this position consolidation shall remain unchanged.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

http://www.cboe.com/ContractAdjustments