EXECUTE SUCCESS℠

CBOE Research Circular #RS13-038

Date: January 28, 2013

To: Permit Holders
From: Scott Speer
RE: Comverse Technology, Inc. ("CMVT & adj. CMVT1") Proposed Merger with Verint Systems Inc. ("VRNT")

Shareholders of Comverse Technology, Inc. ("CMVT & adj. CMVT1") will vote on Monday, February 4, 2013, to approve a proposed Merger between CMVT and Verint Systems Inc. ("VRNT"). Pursuant to the terms of the Merger, each share of CMVT Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **an amount of shares of Verint Systems Inc. ("VRNT") Common Stock to be determined, as described in the Comverse Technology, Inc. Proxy Statement.** The Merger is expected to become effective on or about February 4, 2013.

Please be aware that the **CMVT1** option contracts currently represent: (A) 100 shares of Comverse Technology, Inc. ("CMVT") Common Stock; plus (B) 10 shares of Comverse, Inc. ("CNSI") Common Stock, and has a contract multiplier of 100. See CBOE Research Circular #RS12-554, dated October 26, 2012, for more information on the previous contract adjustment.

THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE MERGER, PREPARED BY CBOE FOR THE CONVENIENCE OF ITS PERMIT HOLDERS. CBOE ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. PERMIT HOLDERS SHOULD REFER TO THE COMVERSE TECHNOLOGY, INC. AND VERINT SYSTEMS INC. JOINT PROXY STATEMENT/PROSPECTUS DATED JANUARY 4, 2013, FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL OF ITS TERMS AND CONDITIONS.

Contract Adjustments

Pursuant to Article VI, Section 11 and 11A, of OCC's By-Laws, on the business day immediately following the Effective Time of the Merger all outstanding CMVT & adj. CMVT1 options shall be adjusted/further adjusted as follows:

A) The **CMVT** series will be adjusted to require the per-contract delivery or receipt of the following: **(A) 100 times an amount of shares of VRNT Common Stock to be determined as described in the Comverse Technology, Inc. Proxy Statement, where cash in lieu would be paid for a fractional share of VRNT Common Stock,** The CMVT option symbol will change to **VRNT2**. Premiums and strike-price amounts for the adjusted VRNT2 options will continue to be calculated on the basis of a multiplier of 100, *i.e.,* for premium and strike-price extensions, 1.00 will equal $100. Strike prices will remain the same.

B) The previously adjusted **CMVT1** series will be further adjusted to require the per-contract delivery or receipt of the following: **(A) 100 times an amount of shares of VRNT Common Stock to be determined as described in the Comverse Technology, Inc. Proxy Statement, where cash in lieu would be paid for a fractional share of VRNT Common Stock; plus (B) 10 shares of of Comverse, Inc. ("CNSI") Common Stock** The CMVT1 option symbol will change to **VRNT1**. Premiums and strike-price amounts for the further adjusted VRNT1 options will continue to be calculated on the basis of a multiplier of 100,

i.e., for premium and strike-price extensions, 1.00 will equal $100. Strike prices will remain the same.

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

Adjusted Option Symbols

On the business day immediately following the Effective Time of the Merger, trading in the CMVT option series will be on an adjusted basis. At 8:30 A.M., Chicago time, the following symbol adjustments to the options will be effected:

EXISTING SERIES					ADJUSTED SERIES*			
CMVT	2.50	2013-02-16	C/P	=>	VRNT2	2.50	2013-02-16	C/P
CMVT	5.00	2013-02-16	C/P	=>	VRNT2	5.00	2013-02-16	C/P
CMVT	7.50	2013-02-16	C/P	=>	VRNT2	7.50	2013-02-16	C/P
CMVT	2.50	2013-03-16	C/P	=>	VRNT2	2.50	2013-03-16	C/P
CMVT	5.00	2013-03-16	C/P	=>	VRNT2	5.00	2013-03-16	C/P
CMVT	7.50	2013-03-16	C/P	=>	VRNT2	7.50	2013-03-16	C/P
CMVT	2.50	2013-06-22	C/P	=>	VRNT2	2.50	2013-06-22	C/P
CMVT	5.00	2013-06-22	C/P	=>	VRNT2	5.00	2013-06-22	C/P
CMVT	7.50	2013-06-22	C/P	=>	VRNT2	7.50	2013-06-22	C/P
CMVT	2.50	2013-09-21	C/P	=>	VRNT2	2.50	2013-09-21	C/P
CMVT	5.00	2013-09-21	C/P	=>	VRNT2	5.00	2013-09-21	C/P
CMVT	7.50	2013-09-21	C/P	=>	VRNT2	7.50	2013-09-21	C/P

ADJUSTED SERIES					FURTHER ADJUSTED SERIES			
CMVT1	2.50	2013-03-16	C/P	=>	VRNT1	2.50	2013-03-16	C/P
CMVT1	5.00	2013-03-16	C/P	=>	VRNT1	5.00	2013-03-16	C/P
CMVT1	7.50	2013-03-16	C/P	=>	VRNT1	7.50	2013-03-16	C/P
CMVT1	10.00	2013-03-16	C/P	=>	VRNT1	10.00	2013-03-16	C/P
CMVT1	2.50	2013-06-22	C/P	=>	VRNT1	2.50	2013-06-22	C/P
CMVT1	5.00	2013-06-22	C/P	=>	VRNT1	5.00	2013-06-22	C/P
CMVT1	7.50	2013-06-22	C/P	=>	VRNT1	7.50	2013-06-22	C/P
CMVT1	10.00	2013-06-22	C/P	=>	VRNT1	10.00	2013-06-22	C/P
CMVT1	12.50	2013-06-22	C/P	=>	VRNT1	12.50	2013-06-22	C/P

*** Any additional CMVT series that are added prior to the effective time of the merger will also be adjusted in the manner described above.**

Settlement

The OCC will delay settlement of VRNT2/VRNT1 exercise and assignment activity until the end of "when issued" trading in VRNT, if any, until the determination of the VRNT share amount and until the determination of the cash-in-lieu amount for any fractional share of VRNT Common Stock.

GTC Order Conversion

On the Effective Date of the Merger, immediately after the CBOE close, the system will convert or cancel all resting orders in the CMVT/CMVT1 order books. 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.

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