EXECUTE SUCCESS℠

CBOE Research Circular #RS13-648

Date: November 27, 2013

To: Permit Holders
From: Scott Speer
RE: Alcatel - Lucent ("ALU")
CASH DISTRIBUTION IN LIEU OF RIGHTS
Ex-Date: December 3, 2013

Alcatel - Lucent ("ALU") has announced a distribution of Rights to holders of Alcatel - Lucent Ordinary Shares. The Rights were not registered in the United States and will not be distributed to holders of ALU American Depositary Shares (ADS's). In lieu of the Rights, JP Morgan, as the agent for ALU, sold the rights in the home market and will distribute the proceeds of the sale to ALU ADS Holders. The net distribution is **$0.165370** ($0.175370 - $0.01 Depositary fee) per ADS. The ADS record date is December 5, 2013. The payable date is December 19, 2013. **The ex-distribution date will be on Tuesday, December 3, 2013.**

THE FOREGOING DISCUSSION IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE SPECIAL DIVIDEND, PREPARED BY CBOE FOR THE CONVENIENCE OF ITS PERMIT HOLDERS. CBOE ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THIS SUMMARY. PERMIT HOLDERS SHOULD REFER TO THE J.P. MORGAN DR MARKET ANNOUNCEMENT DATED NOVEMBER 25, 2013, FOR THE AUTHORITATIVE DESCRIPTION OF THE CASH DISTRIBUTION AND ALL OF ITS TERMS AND CONDITIONS.

Contract Adjustment for the Cash Distribution

Pursuant to OCC rules (Article VI, Section 11 and 11A), all outstanding ALU option series will be adjusted to reflect this cash distribution on the ex-distribution date, at 8:30 A.M. Chicago time. **On Tuesday, December 3, 2013, each ALU series shall be adjusted by decreasing the strike price by 0.165370 rounded to the nearest penny.** The option symbol for the adjusted contracts will remain the same. Premiums and strike-price amounts for the adjusted ALU options will continue to be calculated on the basis of a multiplier of 100, *i.e.,* for premium and strike-price extensions, 1 point of premium or strike price will equal $100. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Adjusted Option Symbols

On Tuesday, December 3, 2013, trading in ALU series will be on an adjusted basis. At 8:30 A.M., Chicago time, an opening rotation will be effected with the following adjustments:

EXISTING SERIES					ADJUSTED SERIES*			
ALU	0.50	2013-12-21	C/P	=>	ALU	0.33	2013-12-21	C/P
ALU	1.00	2013-12-21	C/P	=>	ALU	0.83	2013-12-21	C/P
ALU	1.50	2013-12-21	C/P	=>	ALU	1.33	2013-12-21	C/P
ALU	2.00	2013-12-21	C/P	=>	ALU	1.83	2013-12-21	C/P
ALU	2.50	2013-12-21	C/P	=>	ALU	2.33	2013-12-21	C/P
ALU	3.00	2013-12-21	C/P	=>	ALU	2.83	2013-12-21	C/P
ALU	3.50	2013-12-21	C/P	=>	ALU	3.33	2013-12-21	C/P
ALU	4.00	2013-12-21	C/P	=>	ALU	3.83	2013-12-21	C/P
ALU	4.50	2013-12-21	C/P	=>	ALU	4.33	2013-12-21	C/P

EXISTING SERIES					ADJUSTED SERIES*			
ALU	5.00	2013-12-21	C/P	=>	ALU	4.83	2013-12-21	C/P
ALU	6.00	2013-12-21	C/P	=>	ALU	5.83	2013-12-21	C/P
ALU	0.50	2014-01-18	C/P	=>	ALU	0.33	2014-01-18	C/P
ALU	1.00	2014-01-18	C/P	=>	ALU	0.83	2014-01-18	C/P
ALU	1.50	2014-01-18	C/P	=>	ALU	1.33	2014-01-18	C/P
ALU	2.00	2014-01-18	C/P	=>	ALU	1.83	2014-01-18	C/P
ALU	2.50	2014-01-18	C/P	=>	ALU	2.33	2014-01-18	C/P
ALU	3.00	2014-01-18	C/P	=>	ALU	2.83	2014-01-18	C/P
ALU	3.50	2014-01-18	C/P	=>	ALU	3.33	2014-01-18	C/P
ALU	4.00	2014-01-18	C/P	=>	ALU	3.83	2014-01-18	C/P
ALU	4.50	2014-01-18	C/P	=>	ALU	4.33	2014-01-18	C/P
ALU	5.00	2014-01-18	C/P	=>	ALU	4.83	2014-01-18	C/P
ALU	5.50	2014-01-18	C/P	=>	ALU	5.33	2014-01-18	C/P
ALU	6.00	2014-01-18	C/P	=>	ALU	5.83	2014-01-18	C/P
ALU	7.00	2014-01-18	C/P	=>	ALU	6.83	2014-01-18	C/P
ALU	8.00	2014-01-18	C/P	=>	ALU	7.83	2014-01-18	C/P
ALU	9.00	2014-01-18	C/P	=>	ALU	8.83	2014-01-18	C/P
ALU	0.50	2014-03-22	C/P	=>	ALU	0.33	2014-03-22	C/P
ALU	1.00	2014-03-22	C/P	=>	ALU	0.83	2014-03-22	C/P
ALU	1.50	2014-03-22	C/P	=>	ALU	1.33	2014-03-22	C/P
ALU	2.00	2014-03-22	C/P	=>	ALU	1.83	2014-03-22	C/P
ALU	2.50	2014-03-22	C/P	=>	ALU	2.33	2014-03-22	C/P
ALU	3.00	2014-03-22	C/P	=>	ALU	2.83	2014-03-22	C/P
ALU	3.50	2014-03-22	C/P	=>	ALU	3.33	2014-03-22	C/P
ALU	4.00	2014-03-22	C/P	=>	ALU	3.83	2014-03-22	C/P
ALU	4.50	2014-03-22	C/P	=>	ALU	4.33	2014-03-22	C/P
ALU	5.00	2014-03-22	C/P	=>	ALU	4.83	2014-03-22	C/P
ALU	6.00	2014-03-22	C/P	=>	ALU	5.83	2014-03-22	C/P
ALU	7.00	2014-03-22	C/P	=>	ALU	6.83	2014-03-22	C/P
ALU	0.50	2014-06-21	C/P	=>	ALU	0.33	2014-06-21	C/P
ALU	1.00	2014-06-21	C/P	=>	ALU	0.83	2014-06-21	C/P
ALU	1.50	2014-06-21	C/P	=>	ALU	1.33	2014-06-21	C/P
ALU	2.00	2014-06-21	C/P	=>	ALU	1.83	2014-06-21	C/P
ALU	2.50	2014-06-21	C/P	=>	ALU	2.33	2014-06-21	C/P
ALU	3.00	2014-06-21	C/P	=>	ALU	2.83	2014-06-21	C/P
ALU	3.50	2014-06-21	C/P	=>	ALU	3.33	2014-06-21	C/P
ALU	4.00	2014-06-21	C/P	=>	ALU	3.83	2014-06-21	C/P
ALU	4.50	2014-06-21	C/P	=>	ALU	4.33	2014-06-21	C/P
ALU	5.00	2014-06-21	C/P	=>	ALU	4.83	2014-06-21	C/P
ALU	5.50	2014-06-21	C/P	=>	ALU	5.33	2014-06-21	C/P
ALU	6.00	2014-06-21	C/P	=>	ALU	5.83	2014-06-21	C/P
ALU	7.00	2014-06-21	C/P	=>	ALU	6.83	2014-06-21	C/P
ALU	8.00	2014-06-21	C/P	=>	ALU	7.83	2014-06-21	C/P
ALU	9.00	2014-06-21	C/P	=>	ALU	8.83	2014-06-21	C/P

EXISTING SERIES					ADJUSTED SERIES*			
2015 LEAPS								
ALU	1.00	2015-01-17	C/P	=>	ALU	0.83	2015-01-17	C/P
ALU	2.00	2015-01-17	C/P	=>	ALU	1.83	2015-01-17	C/P
ALU	3.00	2015-01-17	C/P	=>	ALU	2.83	2015-01-17	C/P
ALU	4.00	2015-01-17	C/P	=>	ALU	3.83	2015-01-17	C/P
ALU	5.00	2015-01-17	C/P	=>	ALU	4.83	2015-01-17	C/P
ALU	7.00	2015-01-17	C/P	=>	ALU	6.83	2015-01-17	C/P
2016 LEAPS								
ALU	1.00	2016-01-15	C/P	=>	ALU	0.83	2016-01-15	C/P
ALU	2.00	2016-01-15	C/P	=>	ALU	1.83	2016-01-15	C/P
ALU	2.50	2016-01-15	C/P	=>	ALU	2.33	2016-01-15	C/P
ALU	3.00	2016-01-15	C/P	=>	ALU	2.83	2016-01-15	C/P
ALU	3.50	2016-01-15	C/P	=>	ALU	3.33	2016-01-15	C/P
ALU	4.00	2016-01-15	C/P	=>	ALU	3.83	2016-01-15	C/P
ALU	4.50	2016-01-15	C/P	=>	ALU	4.33	2016-01-15	C/P
ALU	5.00	2016-01-15	C/P	=>	ALU	4.83	2016-01-15	C/P
ALU	5.50	2016-01-15	C/P	=>	ALU	5.33	2016-01-15	C/P
ALU	7.00	2016-01-15	C/P	=>	ALU	6.83	2016-01-15	C/P

*** Any additional ALU series that are added prior to the ex-date will also be adjusted in the manner described above.**

GTC Order Conversion

On Monday, December 2, 2013, immediately after the CBOE close, the system will convert or cancel all resting orders in the ALU 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 adjustment. 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.

Immediately after the close, the book staff will return a final written report listing the orders that are converted or canceled to all firms. 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 CBOE Department of Market Regulation has determined that: "The position and exercise limits following this cash distribution will remain the same."

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