



EXECUTE SUCCESSSM

CBOE Research Circular #RS14-421

Date: August 5, 2014

To: Permit Holders

From: Scott Speer

RE: Starwood Hotels & Resorts Worldwide, Inc. ("HOT")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: September 3, 2014

Starwood Hotels & Resorts Worldwide, Inc. ("HOT") has declared a special cash dividend of **\$0.65** per share on its outstanding common stock. The special cash dividend has a record date of September 5, 2014 and a payable date of September 26, 2014. **The ex-distribution date will be on Wednesday, September 3, 2014.**

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 STARWOOD HOTELS & RESORTS WORLDWIDE, INC. NEWS RELEASE DATED AUGUST 1, 2014, FOR THE AUTHORITATIVE DESCRIPTION OF THE SPECIAL DIVIDEND AND ALL OF ITS TERMS AND CONDITIONS.

Contract Adjustment for the Special Cash Dividend

Pursuant to Article VI, Section 11 and 11A of OCC's By-Laws, all outstanding HOT option series will be adjusted to reflect this special cash dividend as follows: **On Wednesday, September 3, 2014, each HOT series shall be adjusted by decreasing the strike price by \$0.65, the amount of the cash dividend, rounded to the nearest 1/100th.** The option symbol for the adjusted contracts will remain the same. Premiums and strike-price amounts for the adjusted HOT 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 Wednesday, September 3, 2014, trading in HOT 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*				
HOT	65.00	2014-09-20	C/P	=>	HOT	64.35	2014-09-20	C/P	
HOT	70.00	2014-09-20	C/P	=>	HOT	69.35	2014-09-20	C/P	
HOT	75.00	2014-09-20	C/P	=>	HOT	74.35	2014-09-20	C/P	
HOT	77.50	2014-09-20	C/P	=>	HOT	76.85	2014-09-20	C/P	
HOT	80.00	2014-09-20	C/P	=>	HOT	79.35	2014-09-20	C/P	
HOT	82.50	2014-09-20	C/P	=>	HOT	81.85	2014-09-20	C/P	
HOT	85.00	2014-09-20	C/P	=>	HOT	84.35	2014-09-20	C/P	
HOT	87.50	2014-09-20	C/P	=>	HOT	86.85	2014-09-20	C/P	
HOT	90.00	2014-09-20	C/P	=>	HOT	89.35	2014-09-20	C/P	
HOT	92.50	2014-09-20	C/P	=>	HOT	91.85	2014-09-20	C/P	

EXISTING SERIES					ADJUSTED SERIES*			
HOT	95.00	2014-09-20	C/P	=>	HOT	94.35	2014-09-20	C/P
HOT	100.00	2014-09-20	C/P	=>	HOT	99.35	2014-09-20	C/P
HOT	105.00	2014-09-20	C/P	=>	HOT	104.35	2014-09-20	C/P
HOT	39.35	2014-11-22	C/P	=>	HOT	38.70	2014-11-22	C/P
HOT	42.50	2014-11-22	C/P	=>	HOT	41.85	2014-11-22	C/P
HOT	44.35	2014-11-22	C/P	=>	HOT	43.70	2014-11-22	C/P
HOT	47.50	2014-11-22	C/P	=>	HOT	46.85	2014-11-22	C/P
HOT	49.35	2014-11-22	C/P	=>	HOT	48.70	2014-11-22	C/P
HOT	54.35	2014-11-22	C/P	=>	HOT	53.70	2014-11-22	C/P
HOT	59.35	2014-11-22	C/P	=>	HOT	58.70	2014-11-22	C/P
HOT	64.35	2014-11-22	C/P	=>	HOT	63.70	2014-11-22	C/P
HOT	66.85	2014-11-22	C/P	=>	HOT	66.20	2014-11-22	C/P
HOT	69.35	2014-11-22	C/P	=>	HOT	68.70	2014-11-22	C/P
HOT	71.85	2014-11-22	C/P	=>	HOT	71.20	2014-11-22	C/P
HOT	74.35	2014-11-22	C/P	=>	HOT	73.70	2014-11-22	C/P
HOT	76.85	2014-11-22	C/P	=>	HOT	76.20	2014-11-22	C/P
HOT	79.35	2014-11-22	C/P	=>	HOT	78.70	2014-11-22	C/P
HOT	81.85	2014-11-22	C/P	=>	HOT	81.20	2014-11-22	C/P
HOT	84.35	2014-11-22	C/P	=>	HOT	83.70	2014-11-22	C/P
HOT	86.85	2014-11-22	C/P	=>	HOT	86.20	2014-11-22	C/P
HOT	89.35	2014-11-22	C/P	=>	HOT	88.70	2014-11-22	C/P
HOT	92.50	2014-11-22	C/P	=>	HOT	91.85	2014-11-22	C/P
HOT	94.35	2014-11-22	C/P	=>	HOT	93.70	2014-11-22	C/P
HOT	99.35	2014-11-22	C/P	=>	HOT	98.70	2014-11-22	C/P
HOT	104.35	2014-11-22	C/P	=>	HOT	103.70	2014-11-22	C/P
HOT	28.70	2015-01-17	C/P	=>	HOT	28.05	2015-01-17	C/P
HOT	33.70	2015-01-17	C/P	=>	HOT	33.05	2015-01-17	C/P
HOT	38.70	2015-01-17	C/P	=>	HOT	38.05	2015-01-17	C/P
HOT	40.00	2015-01-17	C/P	=>	HOT	39.35	2015-01-17	C/P
HOT	42.50	2015-01-17	C/P	=>	HOT	41.85	2015-01-17	C/P
HOT	43.70	2015-01-17	C/P	=>	HOT	43.05	2015-01-17	C/P
HOT	45.00	2015-01-17	C/P	=>	HOT	44.35	2015-01-17	C/P
HOT	47.50	2015-01-17	C/P	=>	HOT	46.85	2015-01-17	C/P
HOT	48.70	2015-01-17	C/P	=>	HOT	48.05	2015-01-17	C/P
HOT	50.00	2015-01-17	C/P	=>	HOT	49.35	2015-01-17	C/P
HOT	51.20	2015-01-17	C/P	=>	HOT	50.55	2015-01-17	C/P
HOT	53.70	2015-01-17	C/P	=>	HOT	53.05	2015-01-17	C/P
HOT	55.00	2015-01-17	C/P	=>	HOT	54.35	2015-01-17	C/P
HOT	56.20	2015-01-17	C/P	=>	HOT	55.55	2015-01-17	C/P
HOT	58.70	2015-01-17	C/P	=>	HOT	58.05	2015-01-17	C/P
HOT	60.00	2015-01-17	C/P	=>	HOT	59.35	2015-01-17	C/P
HOT	61.20	2015-01-17	C/P	=>	HOT	60.55	2015-01-17	C/P
HOT	63.70	2015-01-17	C/P	=>	HOT	63.05	2015-01-17	C/P
HOT	65.00	2015-01-17	C/P	=>	HOT	64.35	2015-01-17	C/P
HOT	66.20	2015-01-17	C/P	=>	HOT	65.55	2015-01-17	C/P

EXISTING SERIES

ADJUSTED SERIES*

HOT	68.70	2015-01-17	C/P	=>	HOT	68.05	2015-01-17	C/P
HOT	70.00	2015-01-17	C/P	=>	HOT	69.35	2015-01-17	C/P
HOT	71.20	2015-01-17	C/P	=>	HOT	70.55	2015-01-17	C/P
HOT	72.50	2015-01-17	C/P	=>	HOT	71.85	2015-01-17	C/P
HOT	73.70	2015-01-17	C/P	=>	HOT	73.05	2015-01-17	C/P
HOT	75.00	2015-01-17	C/P	=>	HOT	74.35	2015-01-17	C/P
HOT	76.20	2015-01-17	C/P	=>	HOT	75.55	2015-01-17	C/P
HOT	77.50	2015-01-17	C/P	=>	HOT	76.85	2015-01-17	C/P
HOT	78.70	2015-01-17	C/P	=>	HOT	78.05	2015-01-17	C/P
HOT	80.00	2015-01-17	C/P	=>	HOT	79.35	2015-01-17	C/P
HOT	81.20	2015-01-17	C/P	=>	HOT	80.55	2015-01-17	C/P
HOT	82.50	2015-01-17	C/P	=>	HOT	81.85	2015-01-17	C/P
HOT	83.70	2015-01-17	C/P	=>	HOT	83.05	2015-01-17	C/P
HOT	85.00	2015-01-17	C/P	=>	HOT	84.35	2015-01-17	C/P
HOT	86.20	2015-01-17	C/P	=>	HOT	85.55	2015-01-17	C/P
HOT	87.50	2015-01-17	C/P	=>	HOT	86.85	2015-01-17	C/P
HOT	88.70	2015-01-17	C/P	=>	HOT	88.05	2015-01-17	C/P
HOT	90.00	2015-01-17	C/P	=>	HOT	89.35	2015-01-17	C/P
HOT	92.50	2015-01-17	C/P	=>	HOT	91.85	2015-01-17	C/P
HOT	93.70	2015-01-17	C/P	=>	HOT	93.05	2015-01-17	C/P
HOT	95.00	2015-01-17	C/P	=>	HOT	94.35	2015-01-17	C/P
HOT	98.70	2015-01-17	C/P	=>	HOT	98.05	2015-01-17	C/P
HOT	100.00	2015-01-17	C/P	=>	HOT	99.35	2015-01-17	C/P
HOT	103.70	2015-01-17	C/P	=>	HOT	103.05	2015-01-17	C/P
HOT	105.00	2015-01-17	C/P	=>	HOT	104.35	2015-01-17	C/P
HOT	108.70	2015-01-17	C/P	=>	HOT	108.05	2015-01-17	C/P
HOT	110.00	2015-01-17	C/P	=>	HOT	109.35	2015-01-17	C/P
HOT	42.50	2015-02-20	C/P	=>	HOT	41.85	2015-02-20	C/P
HOT	45.00	2015-02-20	C/P	=>	HOT	44.35	2015-02-20	C/P
HOT	47.50	2015-02-20	C/P	=>	HOT	46.85	2015-02-20	C/P
HOT	50.00	2015-02-20	C/P	=>	HOT	49.35	2015-02-20	C/P
HOT	55.00	2015-02-20	C/P	=>	HOT	54.35	2015-02-20	C/P
HOT	60.00	2015-02-20	C/P	=>	HOT	59.35	2015-02-20	C/P
HOT	65.00	2015-02-20	C/P	=>	HOT	64.35	2015-02-20	C/P
HOT	70.00	2015-02-20	C/P	=>	HOT	69.35	2015-02-20	C/P
HOT	72.50	2015-02-20	C/P	=>	HOT	71.85	2015-02-20	C/P
HOT	75.00	2015-02-20	C/P	=>	HOT	74.35	2015-02-20	C/P
HOT	77.50	2015-02-20	C/P	=>	HOT	76.85	2015-02-20	C/P
HOT	80.00	2015-02-20	C/P	=>	HOT	79.35	2015-02-20	C/P
HOT	82.50	2015-02-20	C/P	=>	HOT	81.85	2015-02-20	C/P
HOT	85.00	2015-02-20	C/P	=>	HOT	84.35	2015-02-20	C/P
HOT	87.50	2015-02-20	C/P	=>	HOT	86.85	2015-02-20	C/P
HOT	90.00	2015-02-20	C/P	=>	HOT	89.35	2015-02-20	C/P
HOT	92.50	2015-02-20	C/P	=>	HOT	91.85	2015-02-20	C/P
HOT	95.00	2015-02-20	C/P	=>	HOT	94.35	2015-02-20	C/P
HOT	100.00	2015-02-20	C/P	=>	HOT	99.35	2015-02-20	C/P

EXISTING SERIES				ADJUSTED SERIES*				
HOT	105.00	2015-02-20	C/P	=>	HOT	104.35	2015-02-20	C/P
2016 LEAPS								
HOT	33.70	2016-01-15	C/P	=>	HOT	33.05	2016-01-15	C/P
HOT	38.70	2016-01-15	C/P	=>	HOT	38.05	2016-01-15	C/P
HOT	40.00	2016-01-15	C/P	=>	HOT	39.35	2016-01-15	C/P
HOT	42.50	2016-01-15	C/P	=>	HOT	41.85	2016-01-15	C/P
HOT	43.70	2016-01-15	C/P	=>	HOT	43.05	2016-01-15	C/P
HOT	45.00	2016-01-15	C/P	=>	HOT	44.35	2016-01-15	C/P
HOT	47.50	2016-01-15	C/P	=>	HOT	46.85	2016-01-15	C/P
HOT	48.70	2016-01-15	C/P	=>	HOT	48.05	2016-01-15	C/P
HOT	50.00	2016-01-15	C/P	=>	HOT	49.35	2016-01-15	C/P
HOT	53.70	2016-01-15	C/P	=>	HOT	53.05	2016-01-15	C/P
HOT	55.00	2016-01-15	C/P	=>	HOT	54.35	2016-01-15	C/P
HOT	56.20	2016-01-15	C/P	=>	HOT	55.55	2016-01-15	C/P
HOT	58.70	2016-01-15	C/P	=>	HOT	58.05	2016-01-15	C/P
HOT	60.00	2016-01-15	C/P	=>	HOT	59.35	2016-01-15	C/P
HOT	61.20	2016-01-15	C/P	=>	HOT	60.55	2016-01-15	C/P
HOT	63.70	2016-01-15	C/P	=>	HOT	63.05	2016-01-15	C/P
HOT	65.00	2016-01-15	C/P	=>	HOT	64.35	2016-01-15	C/P
HOT	66.20	2016-01-15	C/P	=>	HOT	65.55	2016-01-15	C/P
HOT	68.70	2016-01-15	C/P	=>	HOT	68.05	2016-01-15	C/P
HOT	70.00	2016-01-15	C/P	=>	HOT	69.35	2016-01-15	C/P
HOT	71.20	2016-01-15	C/P	=>	HOT	70.55	2016-01-15	C/P
HOT	72.50	2016-01-15	C/P	=>	HOT	71.85	2016-01-15	C/P
HOT	73.70	2016-01-15	C/P	=>	HOT	73.05	2016-01-15	C/P
HOT	75.00	2016-01-15	C/P	=>	HOT	74.35	2016-01-15	C/P
HOT	76.20	2016-01-15	C/P	=>	HOT	75.55	2016-01-15	C/P
HOT	77.50	2016-01-15	C/P	=>	HOT	76.85	2016-01-15	C/P
HOT	78.70	2016-01-15	C/P	=>	HOT	78.05	2016-01-15	C/P
HOT	80.00	2016-01-15	C/P	=>	HOT	79.35	2016-01-15	C/P
HOT	81.20	2016-01-15	C/P	=>	HOT	80.55	2016-01-15	C/P
HOT	82.50	2016-01-15	C/P	=>	HOT	81.85	2016-01-15	C/P
HOT	83.70	2016-01-15	C/P	=>	HOT	83.05	2016-01-15	C/P
HOT	85.00	2016-01-15	C/P	=>	HOT	84.35	2016-01-15	C/P
HOT	86.20	2016-01-15	C/P	=>	HOT	85.55	2016-01-15	C/P
HOT	87.50	2016-01-15	C/P	=>	HOT	86.85	2016-01-15	C/P
HOT	88.70	2016-01-15	C/P	=>	HOT	88.05	2016-01-15	C/P
HOT	90.00	2016-01-15	C/P	=>	HOT	89.35	2016-01-15	C/P
HOT	92.50	2016-01-15	C/P	=>	HOT	91.85	2016-01-15	C/P
HOT	93.70	2016-01-15	C/P	=>	HOT	93.05	2016-01-15	C/P
HOT	95.00	2016-01-15	C/P	=>	HOT	94.35	2016-01-15	C/P
HOT	98.70	2016-01-15	C/P	=>	HOT	98.05	2016-01-15	C/P
HOT	100.00	2016-01-15	C/P	=>	HOT	99.35	2016-01-15	C/P
HOT	104.35	2016-01-15	C/P	=>	HOT	103.70	2016-01-15	C/P
HOT	109.35	2016-01-15	C/P	=>	HOT	108.70	2016-01-15	C/P
HOT	114.35	2016-01-15	C/P	=>	HOT	113.70	2016-01-15	C/P



EXISTING SERIES					ADJUSTED SERIES*			
2016 LEAPS								
HOT	120.00	2016-01-15	C/P	=>	HOT	119.35	2016-01-15	C/P
HOT	125.00	2016-01-15	C/P	=>	HOT	124.35	2016-01-15	C/P

*** Any additional HOT series that are added prior to the ex-date (e.g., the October series) will also be adjusted in the manner described above.**

GTC Order Conversion

On Tuesday, September 2, 2014, immediately after the HOT close, the system will convert or cancel all resting orders in the HOT 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 confirm 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 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>