

**CBOE Research Circular #RS12-611**

DATE: November 20, 2012

TO: Permit Holders

RE: **Westlake Chemical Corporation ("WLK")  
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND  
Ex-Date: November 27, 2012**

From: Scott Speer

Westlake Chemical Corporation ("WLK") has declared a special cash dividend of **\$3.75** per share on its outstanding common stock. The special cash dividend has a record date of November 29, 2012 and a payable date of December 12, 2012. **The ex-distribution date will be on Tuesday, November 27, 2012.**

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 WESTLAKE CHEMICAL CORPORATION NEWS RELEASE DATED NOVEMBER 19, 2012, 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 WLK option series will be adjusted to reflect this special cash dividend as follows: **On Tuesday, November 27, 2012, each WLK series shall be adjusted by decreasing the strike price by \$3.75, the amount of the cash dividend, rounded to the nearest 1/100<sup>th</sup>.** The option symbols for the adjusted contracts will remain the same. Premiums and strike-price amounts for the adjusted WLK 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, November 27, 2012, trading in WLK 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*				
WLK	40.00	2012-12-22	C/P	=>	WLK	36.25	2012-12-22	C/P
WLK	45.00	2012-12-22	C/P	=>	WLK	41.25	2012-12-22	C/P
WLK	50.00	2012-12-22	C/P	=>	WLK	46.25	2012-12-22	C/P
WLK	55.00	2012-12-22	C/P	=>	WLK	51.25	2012-12-22	C/P
WLK	60.00	2012-12-22	C/P	=>	WLK	56.25	2012-12-22	C/P
WLK	65.00	2012-12-22	C/P	=>	WLK	61.25	2012-12-22	C/P
WLK	70.00	2012-12-22	C/P	=>	WLK	66.25	2012-12-22	C/P
WLK	75.00	2012-12-22	C/P	=>	WLK	71.25	2012-12-22	C/P
WLK	80.00	2012-12-22	C/P	=>	WLK	76.25	2012-12-22	C/P
WLK	85.00	2012-12-22	C/P	=>	WLK	81.25	2012-12-22	C/P
WLK	90.00	2012-12-22	C/P	=>	WLK	86.25	2012-12-22	C/P

EXISTING SERIES					ADJUSTED SERIES*			
WLK	95.00	2012-12-22	C/P	=>	WLK	91.25	2012-12-22	C/P
WLK	100.00	2012-12-22	C/P	=>	WLK	96.25	2012-12-22	C/P
WLK	105.00	2012-12-22	C/P	=>	WLK	101.25	2012-12-22	C/P
WLK	25.00	2013-01-19	C/P	=>	WLK	21.25	2013-01-19	C/P
WLK	30.00	2013-01-19	C/P	=>	WLK	26.25	2013-01-19	C/P
WLK	35.00	2013-01-19	C/P	=>	WLK	31.25	2013-01-19	C/P
WLK	40.00	2013-01-19	C/P	=>	WLK	36.25	2013-01-19	C/P
WLK	45.00	2013-01-19	C/P	=>	WLK	41.25	2013-01-19	C/P
WLK	50.00	2013-01-19	C/P	=>	WLK	46.25	2013-01-19	C/P
WLK	55.00	2013-01-19	C/P	=>	WLK	51.25	2013-01-19	C/P
WLK	60.00	2013-01-19	C/P	=>	WLK	56.25	2013-01-19	C/P
WLK	65.00	2013-01-19	C/P	=>	WLK	61.25	2013-01-19	C/P
WLK	70.00	2013-01-19	C/P	=>	WLK	66.25	2013-01-19	C/P
WLK	75.00	2013-01-19	C/P	=>	WLK	71.25	2013-01-19	C/P
WLK	80.00	2013-01-19	C/P	=>	WLK	76.25	2013-01-19	C/P
WLK	85.00	2013-01-19	C/P	=>	WLK	81.25	2013-01-19	C/P
WLK	90.00	2013-01-19	C/P	=>	WLK	86.25	2013-01-19	C/P
WLK	95.00	2013-01-19	C/P	=>	WLK	91.25	2013-01-19	C/P
WLK	100.00	2013-01-19	C/P	=>	WLK	96.25	2013-01-19	C/P
WLK	105.00	2013-01-19	C/P	=>	WLK	101.25	2013-01-19	C/P
WLK	110.00	2013-01-19	C/P	=>	WLK	106.25	2013-01-19	C/P
WLK	115.00	2013-01-19	C/P	=>	WLK	111.25	2013-01-19	C/P
WLK	35.00	2013-04-20	C/P	=>	WLK	31.25	2013-04-20	C/P
WLK	40.00	2013-04-20	C/P	=>	WLK	36.25	2013-04-20	C/P
WLK	45.00	2013-04-20	C/P	=>	WLK	41.25	2013-04-20	C/P
WLK	50.00	2013-04-20	C/P	=>	WLK	46.25	2013-04-20	C/P
WLK	55.00	2013-04-20	C/P	=>	WLK	51.25	2013-04-20	C/P
WLK	60.00	2013-04-20	C/P	=>	WLK	56.25	2013-04-20	C/P
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WLK	105.00	2013-04-20	C/P	=>	WLK	101.25	2013-04-20	C/P
WLK	110.00	2013-04-20	C/P	=>	WLK	106.25	2013-04-20	C/P
WLK	115.00	2013-04-20	C/P	=>	WLK	111.25	2013-04-20	C/P
WLK	50.00	2013-07-20	C/P	=>	WLK	46.25	2013-07-20	C/P
WLK	55.00	2013-07-20	C/P	=>	WLK	51.25	2013-07-20	C/P
WLK	60.00	2013-07-20	C/P	=>	WLK	56.25	2013-07-20	C/P
WLK	65.00	2013-07-20	C/P	=>	WLK	61.25	2013-07-20	C/P
WLK	70.00	2013-07-20	C/P	=>	WLK	66.25	2013-07-20	C/P
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WLK	95.00	2013-07-20	C/P	=>	WLK	91.25	2013-07-20	C/P
WLK	100.00	2013-07-20	C/P	=>	WLK	96.25	2013-07-20	C/P

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

#### GTC Order Conversion

On Monday, November 26, 2012, immediately after the CBOE close, the system will convert or cancel all resting orders in the WLK 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.

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."

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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>