CBOE EXECUTE SUCCESS℠

CBOE Research Circular #RS12-668

Date: December 6, 2012

To: Permit Holders
From: Scott Speer
RE: PACCAR Inc. ("PCAR")
CONTRACT ADJUSTMENT FOR SPECIAL CASH DIVIDEND
Ex-Date: December 12, 2012

PACCAR Inc. ("PCAR") has declared a special cash dividend of **$0.80** per share on its outstanding common stock. The special cash dividend has a record date of December 14, 2012 and a payable date of December 28, 2012. **The ex-distribution date will be on Wednesday, December 12, 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 PACCAR INC. NEWS RELEASE DATED DECEMBER 4, 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 PCAR option series will be adjusted to reflect this special cash dividend as follows: **On Wednesday, December 12, 2012, each PCAR series shall be adjusted by decreasing the strike price by $0.80, the amount of the cash dividend, rounded to the nearest 1/100th.** The option symbols for the adjusted contracts will remain the same. Premiums and strike-price amounts for the adjusted PCAR 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, December 12, 2012, trading in PCAR 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*			
PCAR	25.00	2012-12-22	C/P	=>	PCAR	24.20	2012-12-22	C/P
PCAR	26.00	2012-12-22	C/P	=>	PCAR	25.20	2012-12-22	C/P
PCAR	27.00	2012-12-22	C/P	=>	PCAR	26.20	2012-12-22	C/P
PCAR	28.00	2012-12-22	C/P	=>	PCAR	27.20	2012-12-22	C/P
PCAR	29.00	2012-12-22	C/P	=>	PCAR	28.20	2012-12-22	C/P
PCAR	30.00	2012-12-22	C/P	=>	PCAR	29.20	2012-12-22	C/P
PCAR	31.00	2012-12-22	C/P	=>	PCAR	30.20	2012-12-22	C/P
PCAR	32.00	2012-12-22	C/P	=>	PCAR	31.20	2012-12-22	C/P

EXISTING SERIES					ADJUSTED SERIES*			
PCAR	33.00	2012-12-22	C/P	=>	PCAR	32.20	2012-12-22	C/P
PCAR	34.00	2012-12-22	C/P	=>	PCAR	33.20	2012-12-22	C/P
PCAR	35.00	2012-12-22	C/P	=>	PCAR	34.20	2012-12-22	C/P
PCAR	36.00	2012-12-22	C/P	=>	PCAR	35.20	2012-12-22	C/P
PCAR	37.00	2012-12-22	C/P	=>	PCAR	36.20	2012-12-22	C/P
PCAR	38.00	2012-12-22	C/P	=>	PCAR	37.20	2012-12-22	C/P
PCAR	39.00	2012-12-22	C/P	=>	PCAR	38.20	2012-12-22	C/P
PCAR	40.00	2012-12-22	C/P	=>	PCAR	39.20	2012-12-22	C/P
PCAR	41.00	2012-12-22	C/P	=>	PCAR	40.20	2012-12-22	C/P
PCAR	42.00	2012-12-22	C/P	=>	PCAR	41.20	2012-12-22	C/P
PCAR	43.00	2012-12-22	C/P	=>	PCAR	42.20	2012-12-22	C/P
PCAR	44.00	2012-12-22	C/P	=>	PCAR	43.20	2012-12-22	C/P
PCAR	45.00	2012-12-22	C/P	=>	PCAR	44.20	2012-12-22	C/P
PCAR	46.00	2012-12-22	C/P	=>	PCAR	45.20	2012-12-22	C/P
PCAR	47.00	2012-12-22	C/P	=>	PCAR	46.20	2012-12-22	C/P
PCAR	48.00	2012-12-22	C/P	=>	PCAR	47.20	2012-12-22	C/P
PCAR	49.00	2012-12-22	C/P	=>	PCAR	48.20	2012-12-22	C/P
PCAR	50.00	2012-12-22	C/P	=>	PCAR	49.20	2012-12-22	C/P
PCAR	17.30	2013-01-19	C/P	=>	PCAR	16.50	2013-01-19	C/P
PCAR	19.30	2013-01-19	C/P	=>	PCAR	18.50	2013-01-19	C/P
PCAR	21.00	2013-01-19	C/P	=>	PCAR	20.20	2013-01-19	C/P
PCAR	22.30	2013-01-19	C/P	=>	PCAR	21.50	2013-01-19	C/P
PCAR	24.00	2013-01-19	C/P	=>	PCAR	23.20	2013-01-19	C/P
PCAR	25.00	2013-01-19	C/P	=>	PCAR	24.20	2013-01-19	C/P
PCAR	26.00	2013-01-19	C/P	=>	PCAR	25.20	2013-01-19	C/P
PCAR	27.00	2013-01-19	C/P	=>	PCAR	26.20	2013-01-19	C/P
PCAR	28.00	2013-01-19	C/P	=>	PCAR	27.20	2013-01-19	C/P
PCAR	29.00	2013-01-19	C/P	=>	PCAR	28.20	2013-01-19	C/P
PCAR	30.00	2013-01-19	C/P	=>	PCAR	29.20	2013-01-19	C/P
PCAR	31.00	2013-01-19	C/P	=>	PCAR	30.20	2013-01-19	C/P
PCAR	32.00	2013-01-19	C/P	=>	PCAR	31.20	2013-01-19	C/P
PCAR	33.00	2013-01-19	C/P	=>	PCAR	32.20	2013-01-19	C/P
PCAR	34.00	2013-01-19	C/P	=>	PCAR	33.20	2013-01-19	C/P
PCAR	35.00	2013-01-19	C/P	=>	PCAR	34.20	2013-01-19	C/P
PCAR	36.00	2013-01-19	C/P	=>	PCAR	35.20	2013-01-19	C/P
PCAR	37.00	2013-01-19	C/P	=>	PCAR	36.20	2013-01-19	C/P
PCAR	38.00	2013-01-19	C/P	=>	PCAR	37.20	2013-01-19	C/P
PCAR	39.00	2013-01-19	C/P	=>	PCAR	38.20	2013-01-19	C/P
PCAR	40.00	2013-01-19	C/P	=>	PCAR	39.20	2013-01-19	C/P
PCAR	41.00	2013-01-19	C/P	=>	PCAR	40.20	2013-01-19	C/P
PCAR	42.00	2013-01-19	C/P	=>	PCAR	41.20	2013-01-19	C/P
PCAR	43.00	2013-01-19	C/P	=>	PCAR	42.20	2013-01-19	C/P
PCAR	44.00	2013-01-19	C/P	=>	PCAR	43.20	2013-01-19	C/P

EXISTING SERIES					ADJUSTED SERIES*			
PCAR	45.00	2013-01-19	C/P	=>	PCAR	44.20	2013-01-19	C/P
PCAR	46.00	2013-01-19	C/P	=>	PCAR	45.20	2013-01-19	C/P
PCAR	47.00	2013-01-19	C/P	=>	PCAR	46.20	2013-01-19	C/P
PCAR	48.00	2013-01-19	C/P	=>	PCAR	47.20	2013-01-19	C/P
PCAR	49.00	2013-01-19	C/P	=>	PCAR	48.20	2013-01-19	C/P
PCAR	50.00	2013-01-19	C/P	=>	PCAR	49.20	2013-01-19	C/P
PCAR	52.50	2013-01-19	C/P	=>	PCAR	51.70	2013-01-19	C/P
PCAR	54.00	2013-01-19	C/P	=>	PCAR	53.20	2013-01-19	C/P
PCAR	55.00	2013-01-19	C/P	=>	PCAR	54.20	2013-01-19	C/P
PCAR	59.00	2013-01-19	C/P	=>	PCAR	58.20	2013-01-19	C/P
PCAR	60.00	2013-01-19	C/P	=>	PCAR	59.20	2013-01-19	C/P
PCAR	64.00	2013-01-19	C/P	=>	PCAR	63.20	2013-01-19	C/P
PCAR	65.00	2013-01-19	C/P	=>	PCAR	64.20	2013-01-19	C/P
PCAR	69.00	2013-01-19	C/P	=>	PCAR	68.20	2013-01-19	C/P
PCAR	74.30	2013-01-19	C/P	=>	PCAR	73.50	2013-01-19	C/P
PCAR	19.00	2013-02-16	C/P	=>	PCAR	18.20	2013-02-16	C/P
PCAR	20.00	2013-02-16	C/P	=>	PCAR	19.20	2013-02-16	C/P
PCAR	21.00	2013-02-16	C/P	=>	PCAR	20.20	2013-02-16	C/P
PCAR	22.00	2013-02-16	C/P	=>	PCAR	21.20	2013-02-16	C/P
PCAR	23.00	2013-02-16	C/P	=>	PCAR	22.20	2013-02-16	C/P
PCAR	24.00	2013-02-16	C/P	=>	PCAR	23.20	2013-02-16	C/P
PCAR	25.00	2013-02-16	C/P	=>	PCAR	24.20	2013-02-16	C/P
PCAR	26.00	2013-02-16	C/P	=>	PCAR	25.20	2013-02-16	C/P
PCAR	27.00	2013-02-16	C/P	=>	PCAR	26.20	2013-02-16	C/P
PCAR	28.00	2013-02-16	C/P	=>	PCAR	27.20	2013-02-16	C/P
PCAR	29.00	2013-02-16	C/P	=>	PCAR	28.20	2013-02-16	C/P
PCAR	30.00	2013-02-16	C/P	=>	PCAR	29.20	2013-02-16	C/P
PCAR	31.00	2013-02-16	C/P	=>	PCAR	30.20	2013-02-16	C/P
PCAR	32.00	2013-02-16	C/P	=>	PCAR	31.20	2013-02-16	C/P
PCAR	33.00	2013-02-16	C/P	=>	PCAR	32.20	2013-02-16	C/P
PCAR	34.00	2013-02-16	C/P	=>	PCAR	33.20	2013-02-16	C/P
PCAR	35.00	2013-02-16	C/P	=>	PCAR	34.20	2013-02-16	C/P
PCAR	36.00	2013-02-16	C/P	=>	PCAR	35.20	2013-02-16	C/P
PCAR	37.00	2013-02-16	C/P	=>	PCAR	36.20	2013-02-16	C/P
PCAR	38.00	2013-02-16	C/P	=>	PCAR	37.20	2013-02-16	C/P
PCAR	39.00	2013-02-16	C/P	=>	PCAR	38.20	2013-02-16	C/P
PCAR	40.00	2013-02-16	C/P	=>	PCAR	39.20	2013-02-16	C/P
PCAR	41.00	2013-02-16	C/P	=>	PCAR	40.20	2013-02-16	C/P
PCAR	42.00	2013-02-16	C/P	=>	PCAR	41.20	2013-02-16	C/P
PCAR	43.00	2013-02-16	C/P	=>	PCAR	42.20	2013-02-16	C/P
PCAR	44.00	2013-02-16	C/P	=>	PCAR	43.20	2013-02-16	C/P
PCAR	45.00	2013-02-16	C/P	=>	PCAR	44.20	2013-02-16	C/P
PCAR	46.00	2013-02-16	C/P	=>	PCAR	45.20	2013-02-16	C/P

EXISTING SERIES					ADJUSTED SERIES*			
PCAR	47.00	2013-02-16	C/P	=>	PCAR	46.20	2013-02-16	C/P
PCAR	48.00	2013-02-16	C/P	=>	PCAR	47.20	2013-02-16	C/P
PCAR	49.00	2013-02-16	C/P	=>	PCAR	48.20	2013-02-16	C/P
PCAR	50.00	2013-02-16	C/P	=>	PCAR	49.20	2013-02-16	C/P
PCAR	55.00	2013-02-16	C/P	=>	PCAR	54.20	2013-02-16	C/P
PCAR	60.00	2013-02-16	C/P	=>	PCAR	59.20	2013-02-16	C/P
PCAR	21.00	2013-05-18	C/P	=>	PCAR	20.20	2013-05-18	C/P
PCAR	22.00	2013-05-18	C/P	=>	PCAR	21.20	2013-05-18	C/P
PCAR	23.00	2013-05-18	C/P	=>	PCAR	22.20	2013-05-18	C/P
PCAR	24.00	2013-05-18	C/P	=>	PCAR	23.20	2013-05-18	C/P
PCAR	25.00	2013-05-18	C/P	=>	PCAR	24.20	2013-05-18	C/P
PCAR	26.00	2013-05-18	C/P	=>	PCAR	25.20	2013-05-18	C/P
PCAR	27.00	2013-05-18	C/P	=>	PCAR	26.20	2013-05-18	C/P
PCAR	28.00	2013-05-18	C/P	=>	PCAR	27.20	2013-05-18	C/P
PCAR	29.00	2013-05-18	C/P	=>	PCAR	28.20	2013-05-18	C/P
PCAR	30.00	2013-05-18	C/P	=>	PCAR	29.20	2013-05-18	C/P
PCAR	31.00	2013-05-18	C/P	=>	PCAR	30.20	2013-05-18	C/P
PCAR	32.00	2013-05-18	C/P	=>	PCAR	31.20	2013-05-18	C/P
PCAR	33.00	2013-05-18	C/P	=>	PCAR	32.20	2013-05-18	C/P
PCAR	34.00	2013-05-18	C/P	=>	PCAR	33.20	2013-05-18	C/P
PCAR	35.00	2013-05-18	C/P	=>	PCAR	34.20	2013-05-18	C/P
PCAR	36.00	2013-05-18	C/P	=>	PCAR	35.20	2013-05-18	C/P
PCAR	37.00	2013-05-18	C/P	=>	PCAR	36.20	2013-05-18	C/P
PCAR	38.00	2013-05-18	C/P	=>	PCAR	37.20	2013-05-18	C/P
PCAR	39.00	2013-05-18	C/P	=>	PCAR	38.20	2013-05-18	C/P
PCAR	40.00	2013-05-18	C/P	=>	PCAR	39.20	2013-05-18	C/P
PCAR	41.00	2013-05-18	C/P	=>	PCAR	40.20	2013-05-18	C/P
PCAR	42.00	2013-05-18	C/P	=>	PCAR	41.20	2013-05-18	C/P
PCAR	43.00	2013-05-18	C/P	=>	PCAR	42.20	2013-05-18	C/P
PCAR	44.00	2013-05-18	C/P	=>	PCAR	43.20	2013-05-18	C/P
PCAR	45.00	2013-05-18	C/P	=>	PCAR	44.20	2013-05-18	C/P
PCAR	46.00	2013-05-18	C/P	=>	PCAR	45.20	2013-05-18	C/P
PCAR	47.00	2013-05-18	C/P	=>	PCAR	46.20	2013-05-18	C/P
PCAR	48.00	2013-05-18	C/P	=>	PCAR	47.20	2013-05-18	C/P
PCAR	49.00	2013-05-18	C/P	=>	PCAR	48.20	2013-05-18	C/P
PCAR	50.00	2013-05-18	C/P	=>	PCAR	49.20	2013-05-18	C/P
PCAR	55.00	2013-05-18	C/P	=>	PCAR	54.20	2013-05-18	C/P
PCAR	60.00	2013-05-18	C/P	=>	PCAR	59.20	2013-05-18	C/P
PCAR	65.00	2013-05-18	C/P	=>	PCAR	64.20	2013-05-18	C/P
2014 LEAPS								
PCAR	19.30	2014-01-18	C/P	=>	PCAR	18.50	2014-01-18	C/P
PCAR	23.00	2014-01-18	C/P	=>	PCAR	22.20	2014-01-18	C/P

EXISTING SERIES					ADJUSTED SERIES*			
2014 LEAPS								
PCAR	24.30	2014-01-18	C/P	=>	PCAR	23.50	2014-01-18	C/P
PCAR	27.30	2014-01-18	C/P	=>	PCAR	26.50	2014-01-18	C/P
PCAR	29.30	2014-01-18	C/P	=>	PCAR	28.50	2014-01-18	C/P
PCAR	32.30	2014-01-18	C/P	=>	PCAR	31.50	2014-01-18	C/P
PCAR	34.30	2014-01-18	C/P	=>	PCAR	33.50	2014-01-18	C/P
PCAR	36.30	2014-01-18	C/P	=>	PCAR	35.50	2014-01-18	C/P
PCAR	39.30	2014-01-18	C/P	=>	PCAR	38.50	2014-01-18	C/P
PCAR	41.30	2014-01-18	C/P	=>	PCAR	40.50	2014-01-18	C/P
PCAR	44.30	2014-01-18	C/P	=>	PCAR	43.50	2014-01-18	C/P
PCAR	46.30	2014-01-18	C/P	=>	PCAR	45.50	2014-01-18	C/P
PCAR	49.30	2014-01-18	C/P	=>	PCAR	48.50	2014-01-18	C/P
PCAR	52.50	2014-01-18	C/P	=>	PCAR	51.70	2014-01-18	C/P
PCAR	54.30	2014-01-18	C/P	=>	PCAR	53.50	2014-01-18	C/P
PCAR	60.00	2014-01-18	C/P	=>	PCAR	59.20	2014-01-18	C/P
PCAR	65.00	2014-01-18	C/P	=>	PCAR	64.20	2014-01-18	C/P
2015 LEAPS								
PCAR	20.00	2015-01-17	C/P	=>	PCAR	19.20	2015-01-17	C/P
PCAR	25.00	2015-01-17	C/P	=>	PCAR	24.20	2015-01-17	C/P
PCAR	28.00	2015-01-17	C/P	=>	PCAR	27.20	2015-01-17	C/P
PCAR	30.00	2015-01-17	C/P	=>	PCAR	29.20	2015-01-17	C/P
PCAR	33.00	2015-01-17	C/P	=>	PCAR	32.20	2015-01-17	C/P
PCAR	35.00	2015-01-17	C/P	=>	PCAR	34.20	2015-01-17	C/P
PCAR	37.00	2015-01-17	C/P	=>	PCAR	36.20	2015-01-17	C/P
PCAR	38.00	2015-01-17	C/P	=>	PCAR	37.20	2015-01-17	C/P
PCAR	40.00	2015-01-17	C/P	=>	PCAR	39.20	2015-01-17	C/P
PCAR	42.00	2015-01-17	C/P	=>	PCAR	41.20	2015-01-17	C/P
PCAR	45.00	2015-01-17	C/P	=>	PCAR	44.20	2015-01-17	C/P
PCAR	47.00	2015-01-17	C/P	=>	PCAR	46.20	2015-01-17	C/P
PCAR	50.00	2015-01-17	C/P	=>	PCAR	49.20	2015-01-17	C/P
PCAR	55.00	2015-01-17	C/P	=>	PCAR	54.20	2015-01-17	C/P
PCAR	60.00	2015-01-17	C/P	=>	PCAR	59.20	2015-01-17	C/P

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

GTC Order Conversion

On Tuesday, December 11, 2012, immediately after the CBOE close, the system will convert or cancel all resting orders in the PCAR 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