EXECUTE SUCCESS℠

CBOE Research Circular #RS13-150

Date: **March 25, 2013**

To: Permit Holders
From: Scott Speer
RE: Direxion Daily Small Cap Bear 3X Shares ("TZA")
1-for-4 Reverse ETF Split
Ex-Distribution Date: April 2, 2013

Direxion Daily Small Cap Bear 3X Shares ("TZA") has announced a 1-for-4 reverse ETF split, in which each outstanding share of TZA will automatically be converted into one-fourth of a share of "New" TZA. **The ex-date for the reverse ETF split is Tuesday, April 2, 2013.**

Contract Adjustment

Pursuant to OCC rules (Article VI, Section 11 and 11A), all outstanding TZA option series as of Tuesday, April 2, 2013, at 8:30 A.M. Chicago time will be adjusted to reflect this 1-for-4 reverse ETF split. All TZA options will be adjusted to require the receipt or delivery of: **(A) 25 shares of "New" Direxion Daily Small Cap Bear 3X Shares ("TZA").** The contract multiplier will remain 100, *i.e.,* 1 point of premium or strike price will equal $100. Strike prices will remain the same. The option symbol will change to **TZA1.** Premiums for the adjusted TZA1 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. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

The option adjustment will appear in the Daily Position Report of the clearing member firms on the ex-date. After 8:30 A.M. Tuesday, April 2, 2013, all trades, corrections, and exercises must be submitted to the CBOE and OCC on an adjusted basis.

Adjusted Exercise Prices

On Tuesday, April 2, 2013, the ex-distribution date, trading in TZA 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 100 Shares					ADJUSTED SERIES* 25 Shares			
TZA	1.00	2013-04-20	C/P	=>	TZA1	1.00	2013-04-20	C/P
TZA	2.00	2013-04-20	C/P	=>	TZA1	2.00	2013-04-20	C/P
TZA	3.00	2013-04-20	C/P	=>	TZA1	3.00	2013-04-20	C/P
TZA	4.00	2013-04-20	C/P	=>	TZA1	4.00	2013-04-20	C/P
TZA	5.00	2013-04-20	C/P	=>	TZA1	5.00	2013-04-20	C/P
TZA	6.00	2013-04-20	C/P	=>	TZA1	6.00	2013-04-20	C/P
TZA	7.00	2013-04-20	C/P	=>	TZA1	7.00	2013-04-20	C/P
TZA	8.00	2013-04-20	C/P	=>	TZA1	8.00	2013-04-20	C/P
TZA	9.00	2013-04-20	C/P	=>	TZA1	9.00	2013-04-20	C/P
TZA	10.00	2013-04-20	C/P	=>	TZA1	10.00	2013-04-20	C/P
TZA	11.00	2013-04-20	C/P	=>	TZA1	11.00	2013-04-20	C/P
TZA	12.00	2013-04-20	C/P	=>	TZA1	12.00	2013-04-20	C/P
TZA	13.00	2013-04-20	C/P	=>	TZA1	13.00	2013-04-20	C/P
TZA	14.00	2013-04-20	C/P	=>	TZA1	14.00	2013-04-20	C/P

EXISTING SERIES 100 Shares					ADJUSTED SERIES* 25 Shares			
TZA	15.00	2013-04-20	C/P	=>	TZA1	15.00	2013-04-20	C/P
TZA	16.00	2013-04-20	C/P	=>	TZA1	16.00	2013-04-20	C/P
TZA	17.00	2013-04-20	C/P	=>	TZA1	17.00	2013-04-20	C/P
TZA	18.00	2013-04-20	C/P	=>	TZA1	18.00	2013-04-20	C/P
TZA	19.00	2013-04-20	C/P	=>	TZA1	19.00	2013-04-20	C/P
TZA	20.00	2013-04-20	C/P	=>	TZA1	20.00	2013-04-20	C/P
TZA	21.00	2013-04-20	C/P	=>	TZA1	21.00	2013-04-20	C/P
TZA	22.00	2013-04-20	C/P	=>	TZA1	22.00	2013-04-20	C/P
TZA	23.00	2013-04-20	C/P	=>	TZA1	23.00	2013-04-20	C/P
TZA	24.00	2013-04-20	C/P	=>	TZA1	24.00	2013-04-20	C/P
TZA	25.00	2013-04-20	C/P	=>	TZA1	25.00	2013-04-20	C/P
TZA	26.00	2013-04-20	C/P	=>	TZA1	26.00	2013-04-20	C/P
TZA	27.00	2013-04-20	C/P	=>	TZA1	27.00	2013-04-20	C/P
TZA	28.00	2013-04-20	C/P	=>	TZA1	28.00	2013-04-20	C/P
TZA	29.00	2013-04-20	C/P	=>	TZA1	29.00	2013-04-20	C/P
TZA	30.00	2013-04-20	C/P	=>	TZA1	30.00	2013-04-20	C/P
TZA	31.00	2013-04-20	C/P	=>	TZA1	31.00	2013-04-20	C/P
TZA	32.00	2013-04-20	C/P	=>	TZA1	32.00	2013-04-20	C/P
TZA	33.00	2013-04-20	C/P	=>	TZA1	33.00	2013-04-20	C/P
TZA	35.00	2013-04-20	C/P	=>	TZA1	35.00	2013-04-20	C/P
TZA	1.00	2013-05-18	C/P	=>	TZA1	1.00	2013-05-18	C/P
TZA	2.00	2013-05-18	C/P	=>	TZA1	2.00	2013-05-18	C/P
TZA	3.00	2013-05-18	C/P	=>	TZA1	3.00	2013-05-18	C/P
TZA	4.00	2013-05-18	C/P	=>	TZA1	4.00	2013-05-18	C/P
TZA	5.00	2013-05-18	C/P	=>	TZA1	5.00	2013-05-18	C/P
TZA	6.00	2013-05-18	C/P	=>	TZA1	6.00	2013-05-18	C/P
TZA	7.00	2013-05-18	C/P	=>	TZA1	7.00	2013-05-18	C/P
TZA	8.00	2013-05-18	C/P	=>	TZA1	8.00	2013-05-18	C/P
TZA	9.00	2013-05-18	C/P	=>	TZA1	9.00	2013-05-18	C/P
TZA	10.00	2013-05-18	C/P	=>	TZA1	10.00	2013-05-18	C/P
TZA	11.00	2013-05-18	C/P	=>	TZA1	11.00	2013-05-18	C/P
TZA	12.00	2013-05-18	C/P	=>	TZA1	12.00	2013-05-18	C/P
TZA	13.00	2013-05-18	C/P	=>	TZA1	13.00	2013-05-18	C/P
TZA	14.00	2013-05-18	C/P	=>	TZA1	14.00	2013-05-18	C/P
TZA	15.00	2013-05-18	C/P	=>	TZA1	15.00	2013-05-18	C/P
TZA	16.00	2013-05-18	C/P	=>	TZA1	16.00	2013-05-18	C/P
TZA	17.00	2013-05-18	C/P	=>	TZA1	17.00	2013-05-18	C/P
TZA	18.00	2013-05-18	C/P	=>	TZA1	18.00	2013-05-18	C/P
TZA	1.00	2013-07-20	C/P	=>	TZA1	1.00	2013-07-20	C/P
TZA	2.00	2013-07-20	C/P	=>	TZA1	2.00	2013-07-20	C/P
TZA	3.00	2013-07-20	C/P	=>	TZA1	3.00	2013-07-20	C/P
TZA	4.00	2013-07-20	C/P	=>	TZA1	4.00	2013-07-20	C/P
TZA	5.00	2013-07-20	C/P	=>	TZA1	5.00	2013-07-20	C/P
TZA	6.00	2013-07-20	C/P	=>	TZA1	6.00	2013-07-20	C/P
TZA	7.00	2013-07-20	C/P	=>	TZA1	7.00	2013-07-20	C/P

EXISTING SERIES 100 Shares					ADJUSTED SERIES* 25 Shares			
TZA	8.00	2013-07-20	C/P	=>	TZA1	8.00	2013-07-20	C/P
TZA	9.00	2013-07-20	C/P	=>	TZA1	9.00	2013-07-20	C/P
TZA	10.00	2013-07-20	C/P	=>	TZA1	10.00	2013-07-20	C/P
TZA	11.00	2013-07-20	C/P	=>	TZA1	11.00	2013-07-20	C/P
TZA	12.00	2013-07-20	C/P	=>	TZA1	12.00	2013-07-20	C/P
TZA	13.00	2013-07-20	C/P	=>	TZA1	13.00	2013-07-20	C/P
TZA	14.00	2013-07-20	C/P	=>	TZA1	14.00	2013-07-20	C/P
TZA	15.00	2013-07-20	C/P	=>	TZA1	15.00	2013-07-20	C/P
TZA	16.00	2013-07-20	C/P	=>	TZA1	16.00	2013-07-20	C/P
TZA	17.00	2013-07-20	C/P	=>	TZA1	17.00	2013-07-20	C/P
TZA	18.00	2013-07-20	C/P	=>	TZA1	18.00	2013-07-20	C/P
TZA	19.00	2013-07-20	C/P	=>	TZA1	19.00	2013-07-20	C/P
TZA	20.00	2013-07-20	C/P	=>	TZA1	20.00	2013-07-20	C/P
TZA	21.00	2013-07-20	C/P	=>	TZA1	21.00	2013-07-20	C/P
TZA	22.00	2013-07-20	C/P	=>	TZA1	22.00	2013-07-20	C/P
TZA	23.00	2013-07-20	C/P	=>	TZA1	23.00	2013-07-20	C/P
TZA	24.00	2013-07-20	C/P	=>	TZA1	24.00	2013-07-20	C/P
TZA	25.00	2013-07-20	C/P	=>	TZA1	25.00	2013-07-20	C/P
TZA	26.00	2013-07-20	C/P	=>	TZA1	26.00	2013-07-20	C/P
TZA	27.00	2013-07-20	C/P	=>	TZA1	27.00	2013-07-20	C/P
TZA	28.00	2013-07-20	C/P	=>	TZA1	28.00	2013-07-20	C/P
TZA	29.00	2013-07-20	C/P	=>	TZA1	29.00	2013-07-20	C/P
TZA	30.00	2013-07-20	C/P	=>	TZA1	30.00	2013-07-20	C/P
TZA	31.00	2013-07-20	C/P	=>	TZA1	31.00	2013-07-20	C/P
TZA	32.00	2013-07-20	C/P	=>	TZA1	32.00	2013-07-20	C/P
TZA	33.00	2013-07-20	C/P	=>	TZA1	33.00	2013-07-20	C/P
TZA	34.00	2013-07-20	C/P	=>	TZA1	34.00	2013-07-20	C/P
TZA	35.00	2013-07-20	C/P	=>	TZA1	35.00	2013-07-20	C/P
TZA	36.00	2013-07-20	C/P	=>	TZA1	36.00	2013-07-20	C/P
TZA	37.00	2013-07-20	C/P	=>	TZA1	37.00	2013-07-20	C/P
TZA	38.00	2013-07-20	C/P	=>	TZA1	38.00	2013-07-20	C/P
TZA	1.00	2013-10-19	C/P	=>	TZA1	1.00	2013-10-19	C/P
TZA	2.00	2013-10-19	C/P	=>	TZA1	2.00	2013-10-19	C/P
TZA	3.00	2013-10-19	C/P	=>	TZA1	3.00	2013-10-19	C/P
TZA	4.00	2013-10-19	C/P	=>	TZA1	4.00	2013-10-19	C/P
TZA	5.00	2013-10-19	C/P	=>	TZA1	5.00	2013-10-19	C/P
TZA	6.00	2013-10-19	C/P	=>	TZA1	6.00	2013-10-19	C/P
TZA	7.00	2013-10-19	C/P	=>	TZA1	7.00	2013-10-19	C/P
TZA	8.00	2013-10-19	C/P	=>	TZA1	8.00	2013-10-19	C/P
TZA	9.00	2013-10-19	C/P	=>	TZA1	9.00	2013-10-19	C/P
TZA	10.00	2013-10-19	C/P	=>	TZA1	10.00	2013-10-19	C/P
TZA	11.00	2013-10-19	C/P	=>	TZA1	11.00	2013-10-19	C/P
TZA	12.00	2013-10-19	C/P	=>	TZA1	12.00	2013-10-19	C/P
TZA	13.00	2013-10-19	C/P	=>	TZA1	13.00	2013-10-19	C/P
TZA	14.00	2013-10-19	C/P	=>	TZA1	14.00	2013-10-19	C/P
TZA	15.00	2013-10-19	C/P	=>	TZA1	15.00	2013-10-19	C/P

EXISTING SERIES 100 Shares					ADJUSTED SERIES* 25 Shares			
TZA	16.00	2013-10-19	C/P	=>	TZA1	16.00	2013-10-19	C/P
TZA	17.00	2013-10-19	C/P	=>	TZA1	17.00	2013-10-19	C/P
TZA	18.00	2013-10-19	C/P	=>	TZA1	18.00	2013-10-19	C/P
TZA	19.00	2013-10-19	C/P	=>	TZA1	19.00	2013-10-19	C/P
TZA	20.00	2013-10-19	C/P	=>	TZA1	20.00	2013-10-19	C/P
2014 LEAPS								
TZA	1.00	2014-01-18	C/P	=>	TZA1	1.00	2014-01-18	C/P
TZA	2.00	2014-01-18	C/P	=>	TZA1	2.00	2014-01-18	C/P
TZA	3.00	2014-01-18	C/P	=>	TZA1	3.00	2014-01-18	C/P
TZA	4.00	2014-01-18	C/P	=>	TZA1	4.00	2014-01-18	C/P
TZA	5.00	2014-01-18	C/P	=>	TZA1	5.00	2014-01-18	C/P
TZA	6.00	2014-01-18	C/P	=>	TZA1	6.00	2014-01-18	C/P
TZA	7.00	2014-01-18	C/P	=>	TZA1	7.00	2014-01-18	C/P
TZA	8.00	2014-01-18	C/P	=>	TZA1	8.00	2014-01-18	C/P
TZA	9.00	2014-01-18	C/P	=>	TZA1	9.00	2014-01-18	C/P
TZA	10.00	2014-01-18	C/P	=>	TZA1	10.00	2014-01-18	C/P
TZA	11.00	2014-01-18	C/P	=>	TZA1	11.00	2014-01-18	C/P
TZA	12.00	2014-01-18	C/P	=>	TZA1	12.00	2014-01-18	C/P
TZA	13.00	2014-01-18	C/P	=>	TZA1	13.00	2014-01-18	C/P
TZA	14.00	2014-01-18	C/P	=>	TZA1	14.00	2014-01-18	C/P
TZA	15.00	2014-01-18	C/P	=>	TZA1	15.00	2014-01-18	C/P
TZA	16.00	2014-01-18	C/P	=>	TZA1	16.00	2014-01-18	C/P
TZA	17.00	2014-01-18	C/P	=>	TZA1	17.00	2014-01-18	C/P
TZA	17.50	2014-01-18	C/P	=>	TZA1	17.50	2014-01-18	C/P
TZA	18.00	2014-01-18	C/P	=>	TZA1	18.00	2014-01-18	C/P
TZA	19.00	2014-01-18	C/P	=>	TZA1	19.00	2014-01-18	C/P
TZA	20.00	2014-01-18	C/P	=>	TZA1	20.00	2014-01-18	C/P
TZA	21.00	2014-01-18	C/P	=>	TZA1	21.00	2014-01-18	C/P
TZA	22.00	2014-01-18	C/P	=>	TZA1	22.00	2014-01-18	C/P
TZA	23.00	2014-01-18	C/P	=>	TZA1	23.00	2014-01-18	C/P
TZA	24.00	2014-01-18	C/P	=>	TZA1	24.00	2014-01-18	C/P
TZA	25.00	2014-01-18	C/P	=>	TZA1	25.00	2014-01-18	C/P
TZA	26.00	2014-01-18	C/P	=>	TZA1	26.00	2014-01-18	C/P
TZA	27.00	2014-01-18	C/P	=>	TZA1	27.00	2014-01-18	C/P
TZA	28.00	2014-01-18	C/P	=>	TZA1	28.00	2014-01-18	C/P
TZA	29.00	2014-01-18	C/P	=>	TZA1	29.00	2014-01-18	C/P
TZA	30.00	2014-01-18	C/P	=>	TZA1	30.00	2014-01-18	C/P
TZA	31.00	2014-01-18	C/P	=>	TZA1	31.00	2014-01-18	C/P
TZA	32.00	2014-01-18	C/P	=>	TZA1	32.00	2014-01-18	C/P
TZA	33.00	2014-01-18	C/P	=>	TZA1	33.00	2014-01-18	C/P
TZA	34.00	2014-01-18	C/P	=>	TZA1	34.00	2014-01-18	C/P
TZA	35.00	2014-01-18	C/P	=>	TZA1	35.00	2014-01-18	C/P
TZA	38.00	2014-01-18	C/P	=>	TZA1	38.00	2014-01-18	C/P
TZA	39.00	2014-01-18	C/P	=>	TZA1	39.00	2014-01-18	C/P
TZA	40.00	2014-01-18	C/P	=>	TZA1	40.00	2014-01-18	C/P
TZA	41.00	2014-01-18	C/P	=>	TZA1	41.00	2014-01-18	C/P

EXISTING SERIES 100 Shares					ADJUSTED SERIES* 25 Shares			
2014 LEAPS								
TZA	42.00	2014-01-18	C/P	=>	TZA1	42.00	2014-01-18	C/P
TZA	43.00	2014-01-18	C/P	=>	TZA1	43.00	2014-01-18	C/P
TZA	44.00	2014-01-18	C/P	=>	TZA1	44.00	2014-01-18	C/P
TZA	45.00	2014-01-18	C/P	=>	TZA1	45.00	2014-01-18	C/P
TZA	46.00	2014-01-18	C/P	=>	TZA1	46.00	2014-01-18	C/P
TZA	47.00	2014-01-18	C/P	=>	TZA1	47.00	2014-01-18	C/P
TZA	50.00	2014-01-18	C/P	=>	TZA1	50.00	2014-01-18	C/P
TZA	55.00	2014-01-18	C/P	=>	TZA1	55.00	2014-01-18	C/P
TZA	60.00	2014-01-18	C/P	=>	TZA1	60.00	2014-01-18	C/P
2015 LEAPS								
TZA	1.00	2015-01-17	C/P	=>	TZA1	1.00	2015-01-17	C/P
TZA	2.00	2015-01-17	C/P	=>	TZA1	2.00	2015-01-17	C/P
TZA	3.00	2015-01-17	C/P	=>	TZA1	3.00	2015-01-17	C/P
TZA	4.00	2015-01-17	C/P	=>	TZA1	4.00	2015-01-17	C/P
TZA	5.00	2015-01-17	C/P	=>	TZA1	5.00	2015-01-17	C/P
TZA	6.00	2015-01-17	C/P	=>	TZA1	6.00	2015-01-17	C/P
TZA	7.00	2015-01-17	C/P	=>	TZA1	7.00	2015-01-17	C/P
TZA	8.00	2015-01-17	C/P	=>	TZA1	8.00	2015-01-17	C/P
TZA	9.00	2015-01-17	C/P	=>	TZA1	9.00	2015-01-17	C/P
TZA	10.00	2015-01-17	C/P	=>	TZA1	10.00	2015-01-17	C/P
TZA	11.00	2015-01-17	C/P	=>	TZA1	11.00	2015-01-17	C/P
TZA	12.00	2015-01-17	C/P	=>	TZA1	12.00	2015-01-17	C/P
TZA	13.00	2015-01-17	C/P	=>	TZA1	13.00	2015-01-17	C/P
TZA	14.00	2015-01-17	C/P	=>	TZA1	14.00	2015-01-17	C/P
TZA	15.00	2015-01-17	C/P	=>	TZA1	15.00	2015-01-17	C/P
TZA	16.00	2015-01-17	C/P	=>	TZA1	16.00	2015-01-17	C/P
TZA	17.00	2015-01-17	C/P	=>	TZA1	17.00	2015-01-17	C/P
TZA	18.00	2015-01-17	C/P	=>	TZA1	18.00	2015-01-17	C/P
TZA	19.00	2015-01-17	C/P	=>	TZA1	19.00	2015-01-17	C/P
TZA	20.00	2015-01-17	C/P	=>	TZA1	20.00	2015-01-17	C/P
TZA	21.00	2015-01-17	C/P	=>	TZA1	21.00	2015-01-17	C/P
TZA	22.00	2015-01-17	C/P	=>	TZA1	22.00	2015-01-17	C/P
TZA	23.00	2015-01-17	C/P	=>	TZA1	23.00	2015-01-17	C/P
TZA	24.00	2015-01-17	C/P	=>	TZA1	24.00	2015-01-17	C/P
TZA	25.00	2015-01-17	C/P	=>	TZA1	25.00	2015-01-17	C/P
TZA	26.00	2015-01-17	C/P	=>	TZA1	26.00	2015-01-17	C/P
TZA	27.00	2015-01-17	C/P	=>	TZA1	27.00	2015-01-17	C/P
TZA	28.00	2015-01-17	C/P	=>	TZA1	28.00	2015-01-17	C/P
TZA	29.00	2015-01-17	C/P	=>	TZA1	29.00	2015-01-17	C/P
TZA	30.00	2015-01-17	C/P	=>	TZA1	30.00	2015-01-17	C/P

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

New Unadjusted Series

To facilitate the maintenance of a fair and orderly market Direxion Daily Small Cap Bear 3X Shares options, new TZA series with a contract unit of 100 shares will be introduced on Wednesday, April 3, 2013. The TZA series will be added for April, May, July, and October expirations at exercise prices nearest the money. Also, new TZA LEAP series with a contract unit of 100 shares will be introduced on April 3, 2013, for the January 2014 and January 2015 expirations at exercise prices nearest the money.

GTC Order Conversion

On Monday, April 1, 2013, immediately after the CBOE close, the system will convert or cancel all resting orders in the TZA 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 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.

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 reverse ETF split 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