



EXECUTE SUCCESSSM

Regulatory Circular RG15-187

Date: December 18, 2015

To: Trading Permit Holders

From: Market Operations Department

RE: Restrictions on Transactions in Avalon Rare Metals Inc. (AVL)

Effective December 18, 2015, Avalon Rare Metals (AVL) was delisted from the NYSE and moved its listing to the Other-OTC market under the symbol AVLNF. The AVL option symbol will remain the same for one day and change to AVLNF effective for Monday, December 21, 2015. Therefore, trading in AVL options on December 18, 2015 and trading in AVLNF options commencing on December 21, 2015 will be subject to restrictions.

Trading on CBOE in existing series of AVL/AVLNF options will be subject to the following restrictions. Only closing transactions may be affected in any series AVL/AVLNF options except for (i) opening transactions by Market-Makers executed to accommodate closing transactions of other market participants and (ii) opening transactions by CBOE TPH organizations to facilitate the closing transactions of public customers executed as crosses pursuant to and in accordance with CBOE Rule 6.74(b) or (d).

The execution of opening transactions in AVL/AVLNF options, except as permitted above, and/or the misrepresentation as to whether an order is opening or closing, will constitute a violation of CBOE rules, and may result in disciplinary action. TPH organizations should ensure that they have appropriate procedures in place to prevent their customers from entering opening orders in this restricted option class. In addition, transactions in contravention of this restriction may be subject to nullification pursuant to Exchange Rule 6.25.

There are no restrictions in place with respect to the exercise of AVL/AVLNF options.

Any questions regarding this circular may be directed to the Market Services Department at marketservices@cboe.com and by telephone (312) 786-7950 or the Regulatory Interpretations and Guidance team at RegInterps@cboe.com and by telephone at (312) 786-8141.

CBOE restricted class memos can be accessed from CBOE.org at the following web address: <http://www.cboe.org/Restrictions>.