Regulatory Circular RG12-060

DATE: **April 27, 2012**

FROM: **Market Operations Department**

RE: **Restrictions on Transactions in Galena Biopharma Inc.**

Effective April 27, 2012, Galena Biopharma Inc. ("GALE") had a distribution of shares in which part of the deliverable, RXi Pharmaceuticals Corporation ("RXII") is listed on the Other OTC market. Therefore, Galena Biopharma Inc. adjusted symbol ("GALE1") will be subject to restrictions.

Trading on the CBOE in existing series of GALE1 options will be subject to the following restrictions. Only closing transactions may be affected in any series of GALE1 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 GALE1 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 GALE1 options.

Any questions regarding this circular may be directed to Kerry Winters at (312) 786-7312 or the Regulatory Interpretations and Guidance team by telephone at (312) 786-8141 or by email at RegInterps@cboe.com.

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