



## **Regulatory Circular RG 05-105**

Date: November 3, 2005

To: Members and Member Organizations

From: Department of Market Regulation

Subject: Exercise Advice Requirements for OEX Short Term Options

**The Securities and Exchange Commission approved a rule change enabling the CBOE to list and trade Short Term Options (“Weeklys”) based on the S&P 100 (“OEX”). OEX Weeklys will be listed on a Friday and expire the following Friday (see SR-CBOE-2004-63).**

OEX Weekly options may be exercised on any business day before the expiration date. As such, OEX Weeklys are subject to the requirements set forth in CBOE Rule 11.1, as it pertains to American-Style cash settled option contracts. Therefore, an "exercise advice" must be submitted to the Exchange no later than 3:20 p.m. (CT). An “exercise advice” does not need to be submitted to the Exchange on the Friday the OEX Weekly expires. Be reminded that members may only submit an “exercise advice” and exercise instruction for the “net long position” open in any series of American-style index options, including OEX Weeklys, for the account at the time the “exercise advice” or exercise instruction is submitted.

Please refer to CBOE Rule 11.1 for general information regarding exercise procedures, and refer to CBOE Rule 24.18 and Regulatory Circular RG99-84 for further information regarding the exercise of the “net long position” open in an account at the time of exercise.

For questions regarding exercise obligations, please contact Mike Banker (312) 786-7427 or Tim MacDonald at (312) 786-7706. For general questions regarding Weeklys, please contact Jim Flynn (312) 786-7070.