



Regulatory Circular RG09-48

To: Members  
From: Trading Operations and Legal Divisions  
Date: April 8, 2009  
Subject: Elimination of FLEX Expiration Blackout Period

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The SEC recently approved Rule Change File No. SR-CBOE-2008-115, which eliminated the expiration date restrictions for FLEX Options, so that FLEX Options may now expire on any business day subject to certain conditions. Previously, FLEX Options could not expire on any business day that falls on, or two business days before or after, a third Friday-of-the-month expiration (the old “blackout period”).

On March 23, 2009 we issued Regulatory Circular RG09-37, which details the particular requirements for FLEX Options transactions with expiration dates that fall within the old blackout period. As a supplement to that circular, please take note of the following additional condition applicable to FLEX Equity Options:

- Exercise Style: At least initially, FLEX Equity Options that expire on a third Friday-of-the-month expiration may only have a European- or European-Capped-style exercise. FLEX Equity Options that expire on any other business day (including the two business days before or after a third Friday-of-the-month expiration) can have a European-, European-Capped- or American-style exercise. The Exchange intends to make American-style exercises available for FLEX Equity Options that expire on a third Friday-of-the-month expiration at a later date pending further system enhancements, which will be announced via separate circular.

For further information, please refer to Regulatory Circular RG09-37, the rule filing and Chapters XXIVA and XXIVB, which are located at [www.cboe.org/legal](http://www.cboe.org/legal). Additional questions may be directed to Andy Lowenthal at (312) 786-7180 or Lisa Morano at 312-786-7319.