



Regulatory Circular RG11-157

DATE: December 6, 2011

FROM: Market Operations Department

RE: Restrictions on Transactions in
Telecom Corporation of New Zealand
Adjusted Symbol (NZT1)

On November 21, 2011, Telecom Corporation of New Zealand adjusted symbol (NZT1) required delivery of 100 ADS of NZT plus 20 ADS of Chorus Limited (CHRY). On December 2, 2011, Chorus Limited (CHRY) was listed on the Over-The-Counter (OTC) market; therefore, shares of adjusted symbol NZT1 will be subject to restrictions.

Trading on the CBOE in existing series of NZT1 options will be subject to the following restrictions. Only closing transactions may be affected in any series of NZT1 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 NZT1 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 NZT1 options. The provisions of this circular apply to any options on NZT1 traded on CBOE.

Any questions regarding this circular may be directed to Kerry Winters at (312) 786-7312 or Regulatory Services Division at (312) 786-7730 or (312) 786-8460.

CBOE restricted class memos can be accessed from CBOE.org at the following web address:

<http://www.cboe.org/Restrictions>