



**CBOE Regulatory Circular RG11-163  
C2 Regulatory Circular C2 RG11-042**

To: CBOE and C2 Trading Permit Holders

From: Legal and Regulatory Services Divisions

Date: December 19, 2011

Re: Adjusted Options Series

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Effective today, CBOE Market-Makers (including PMMs, LMMs, DPMs and e-DPMs) and C2 Market-Makers (including PMMs) will no longer be obligated to maintain continuous electronic quotes in adjusted option series. An adjusted option series is an option series for which, as a result of a corporate action by the issuer of the security underlying such option series, one option contract in the series represents the delivery of other than 100 shares of the underlying stock or units. The continuous electronic quoting obligations imposed on Market-Makers, Preferred MMs, LMMs, DPMs and e-DPMs, as applicable, will only apply to non-adjusted option series.<sup>1</sup>

Please note that all Market-Makers must provide two-sided markets for adjusted series upon request for a quote (CBOE only) or when called upon by Exchange officials if necessary to maintain a fair and orderly market (CBOE and C2).

For additional information, please see the following rule filings: [SR-CBOE-2011-105](#) and [SR-C2-2011-033](#).

Further questions may be directed to Exchange's Regulatory Interpretations and Guidance Line by telephone at (312) 786-8141 by e-mail at [RegInterps@cboe.com](mailto:RegInterps@cboe.com).

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<sup>1</sup> The following CBOE rules set forth these obligations: Rule 8.7(d)(ii)(B) (Market-Makers), Rule 8.13(d) (PMMs), Rule 8.15A(b)(i) (LMMs), Rule 8.85(a)(i) (DPMs), and Rule 8.93(i) (e-DPMs). The following C2 rules set forth these obligations: Rule 8.5(a)(1) (Market-Makers) and Rule 8.13(d) (PMMs).