



REGULATORY CIRCULAR RG07-94

Date: September 6, 2007

To: Members and Member Organizations

From: Legal Division
Department of Market Regulation

Re: Elimination of Position and Exercise Limits for RUT Options

On September 4, 2007, the U.S. Securities and Exchange Commission ("SEC") approved a CBOE rule change that:

- Eliminates position and exercise limits for options and FLEX options on the Russell 2000 Index ("RUT Options"). See Rules 24.4, 24.5 and 24A.7.
- Specifies that for those broad-based index options that do not have position and exercise limits, there are similarly no position and exercise limits for reduced-value options on those same broad-based indexes, e.g., Mini-SPX Index ("XSP") options, Mini-Russell 2000 Index ("RMN") options and Mini-Nasdaq-100 Index ("MNX") options. See Rules 24.4 and 24.5.
- Makes technical changes to Rules 24.4, 24.5 and 24A.7 to specify that there are no position and exercise limits for European-Style Exercise S&P 100 Index options ("XEO") and FLEX XEO options and to add XEO options to the position reporting and margin rules.

This rule change is now effective. Please note that certain members or member organizations that maintain RUT option positions shall be subject to the reporting requirements and the margin and clearing firm requirements under Interpretation and Policy .03 and .04 to CBOE Rule 24.4, and Rule 24A.7(b), respectively.

For information regarding this rule change, refer to CBOE rule change SR-CBOE-2007-79 and the SEC order approving this rule change, which are both posted on the Exchange website at <http://www.cboe.org/Legal/SubmittedSECFilings.aspx>.

Any questions concerning this Regulatory Circular should be directed to Tim MacDonald at (312) 786-7706 or Jenny Klebes at (312) 786-7466.