

REGULATORY CIRCULAR RG95-17

DATE: February 13, 1995

TO: All Members

FROM: Department of Market Surveillance

RE: Contrary Exercise Advice Submissions for Expiring Equity Options

Please be reminded that in accordance with Exchange Rule 11.1 and as previously indicated in Regulatory Circulars RG94-83 (dated December 21, 1994) and RG95-10 (dated January 17, 1995) new rules and procedures regarding Contrary Exercise Advice ("CEA") submissions for expiring equity options will become effective **February 17, 1995**. Beginning on this day, all members must deliver a CEA to the Exchange **no later than 4:30 p.m. (CT)** indicating the intent to exercise or not exercise any expiring equity option contract that is contrary to the Options Clearing Corporation's (OCC) Exercise-by-Exception ("Ex-by-Ex) procedures. Such CEA submissions are to be made either to a CEA drop box or to OCC via C/MACS. Please be advised that in the event the OCC waives its Ex-by-Ex provisions, the noted procedures are to be followed as though the provisions of OCC Rule 805 were in full force and effect. For the convenience of its members the CBOE has provided CEA drop boxes and forms at the following locations:

CBOE First Floor Trade Match Window
First Options of Chicago, Inc. - 16th Floor, 440 S. LaSalle
LIT/Kessler Asher - 19th Floor, 440 S. LaSalle
ING Securities - Suite 2800, 440 S. LaSalle
LIT America - Suite 2000A, 141 W. Jackson
Wagner Stott Clearing - 12th Floor, 440 S. LaSalle
Bear Stearns - Suite 1000, 440 S. LaSalle

All members are encouraged to familiarize themselves with the exact location of CEA drop boxes prior to the February 17, 1995, effective date.

Questions concerning this matter may be addressed to Patricia Cerny at (312) 786-7722, Karen Charleston at (312) 786-7724 or Jeffrey Schroer at (312) 786-7716.