



Regulatory Circular RG11-096

DATE: August 11, 2011

TO: Trading Permit Holders

FROM: Legal Division and Regulatory Services Division

RE: Update Regarding Rule Change Relating to Position and Exercise Limits for SPY Options

This circular is being issued to make Trading Permit Holders (TPHs) aware that other option exchanges and FINRA have increased the position and exercise limits from 300,000 contracts to 900,000 contracts for options on the Standard and Poor's Depository Receipts Trust (SPY). CBOE TPHs may now adhere to the higher position limit levels since they are uniform among the option exchanges and FINRA.

On July 8, 2011, CBOE increased the position and exercise limits for SPY options; however, at the time, the position and exercise limit rules of some other option exchanges and FINRA remained at 300,000 contracts. As a result, if a CBOE TPH was a member of another exchange or FINRA that still had the old 300,000 limit for SPY options, the CBOE TPH was required to continue to adhere to lower position and exercise limit levels.

CBOE understands that the position and exercise limits (900,000 contracts) for SPY options are now the same across all option exchanges and FINRA.

Questions regarding this circular may be directed to the Department of Market Regulation at (312) 786-8460 or (312) 786-7730.

(Updates [CBOE Regulatory Circular RG11-089](#))