

## **REGULATORY CIRCULAR RG94-62**

DATE: September 8, 1994

TO: Members and Member Organizations

FROM: Regulatory Services Division

RE: Exercise Advice Procedures for American-Style FLEX Options

Please be advised that American-Style FLEX options are subject to the provisions of Exchange Rule 11.1 which requires that for all contracts exercised, an "exercise advice" must be delivered by the member or member organization in such form or manner prescribed by the Exchange to a place designated by the Exchange no later than 3:20 p.m. Central Time (CT) or a time designated to be five (5) minutes after the close of trading.

The Exchange has designated that CBOE Index Exercise Advice Forms ("exercise advices") for American-Style FLEX options are to be submitted to Exchange Order Book Officials in the SPX pit or deposited in one of the three "exercise advice" drop boxes currently located at the OEX pit no later than 3:20 p.m. (CT), or a time designated to be five (5) minutes after the close of trading. Additionally, please note that the OCC's Clearing Management and Control System (C/MACS) is available as an alternative to physically delivering "exercise advices" to the Exchange trading floor.

Please refer to the attached copy of Exchange Rule 11.1 and Regulatory Circular RG92-02 for further information regarding "exercise advice" procedures and requirements. Members are to be reminded that the submission of an "exercise advice" to the Exchange does not initiate an exercise at OCC; members must also submit an exercise instruction memorandum to their clearing firm.

Questions concerning "exercise advice" procedures and requirements should be directed to Karen Charleston at (312) 786-7724.

(RG93-23 Revised)