

REGULATORY CIRCULAR RG98-05

DATE: January 20, 1998

TO: Members

From: Department of Market Regulation

Re: Position and Exercise Limits

Pursuant to Exchange Rule 4.11, Interpretation .02 and Exchange Rule 4.12, all securities underlying the Exchange's listed equity options have been reviewed to determine which options are eligible for either the 25,000, 20,000, 10,500, 7,500 or 4,500 contract position and exercise limits. In addition, pursuant to Exchange Rule 24.4A, all securities underlying the Exchange's listed industry index options have also been reviewed to determine which options are eligible for either the 15,000, 12,000, or 9,000 contract position and exercise limits. Accounts which are directly or indirectly controlled by the same individual or entity must be aggregated to determine compliance with the position and exercise limit rules. Please refer to Position Limit Circular PL98-07 for the list of CBOE options and their applicable position and exercise limits, effective January 20, 1998.

Any questions concerning position and exercise limits should be directed to Patricia Cerny (312) 786-7722 or Karen Charleston (312) 786-7724.