

BINARY OPTIONS ON SPXSM AND VIX[®]

Only at CBOE

Features:

Easy to understand, simple to trade.

Yes-or-no options that provide a straightforward way for investors to act on their views.

- **S&P 500[®] Index Binary Options (BSZ)**
- **CBOE Volatility Index[®] Binary Options (BVZ)**

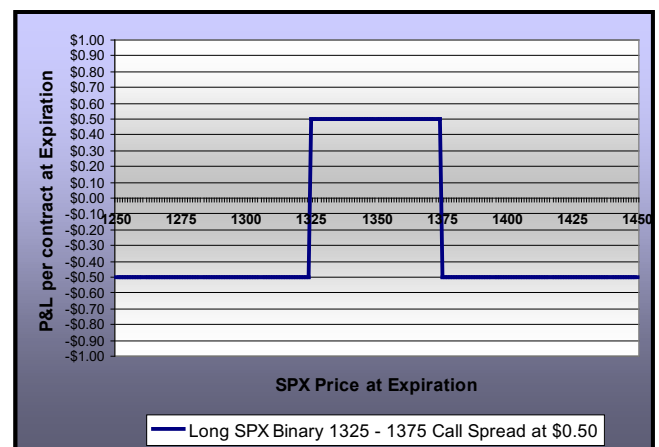
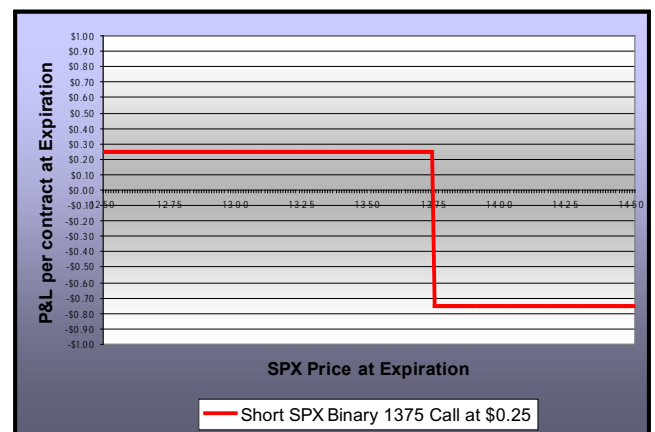
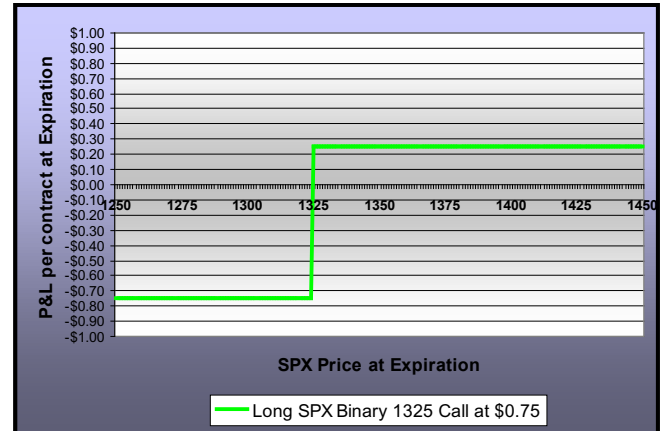
At expiration, CBOE Binary Options pay out \$100 or nothing at all.

Prices reflect the perceived probability of reaching or exceeding the strike price at expiration.

CBOE Binaries are exchange-traded options, cleared through the OCC, that can be traded in a regular securities account approved for options trading.

CBOE Binary Options:

- ✓ Calls pay out if the settlement value is **at or above** the strike price.
- ✓ Puts pay out if the settlement value is **below** the strike price.
- ✓ Are European-style options that can only be exercised on the expiration date. A closing price that is in-the-money prior to expiration does not trigger a payout.
- ✓ Expire and settle on the same date as the standard option on the same underlying index.



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www.cboe.com/binaries

CBOE[®]



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Simple to understand, easy to trade.

CBOE BINARY OPTIONS CONTRACT SPECIFICATIONS

Contract specs that are the same for both SPX and VIX Binary Options

- European Exercise: CBOE Binary Options may only be exercised on the expiration date.
- Cash settlement: exercise will result in delivery of cash on the following business day.
- Exercise Settlement Amount: Calls pay out \$100 if the settlement value is equal to or greater than the strike price. Puts pay out \$100 if the settlement value is below the strike price.
- Strike prices: Initially, in-, at- and out-of-the-money strike prices will be listed. New strikes may be added as the underlying index moves up or down and upon request.
- Multiplier: \$100
- Quotes: In pennies, ranging from 0 to 1.00
- Trading Hours: 8:30 a.m. to 3:15 p.m. Chicago time.
- Position Limits: 1,500,000 contracts on the same side of the market.

Contract specifications that are unique:

	SPX Binary Options	VIX Binary Options
Ticker Symbol	BSZ On Bloomberg: BSZ <Index> OMON	BVZ On Bloomberg: BVZ <Index> OMON
Underlying	S&P 500 Index (SPX)	CBOE Volatility Index (VIX)
Intervals	Minimum of five-point strike price intervals	Minimum of one-point strike price intervals
Last Trading Day	Like standard SPX options, the last trading day for BSZ options usually will be the Thursday before the third Friday of the expiration month.	Like standard VIX options, the last trading day for BVZ options usually will be the Tuesday before the expiration date of each month.
Settlement	BSZ options are A.M. settled. The settlement value is calculated using opening prices, usually on the third Friday of the expiration month. The exercise-settlement value will be the same as the exercise-settlement value ("SET") for S&P 500 Index (SPX) Options.	BVZ options are A.M. settled. The settlement value is calculated using opening prices, usually on Wednesdays that are 30 days prior to the next month's third Friday. The exercise-settlement value will be the same as the exercise-settlement value ("VRO") for CBOE Volatility Index (VIX) Options.
Expiration	Expiration for BSZ options usually will be the Saturday following the third Friday of the expiration month.	Expiration for BVZ options usually will be the Wednesday that is 30 days prior to the third Friday of the following month.

Options involve risk and are not suitable for all investors. Prior to buying or selling an option, a person must receive a copy of Characteristics and Risks of Standardized Options (ODD). Copies of the ODD are available from your broker, by calling 1-888-OPTIONS, or from The Options Clearing Corporation, One North Wacker Drive, Suite 500, Chicago, Illinois 60606. CBOE®, Chicago Board Options Exchange®, CBOE Volatility Index®, Hybrid ® and VIX ® are registered trademarks and SPX is a servicemark of CBOE. Standard & Poor's®, S&P® and S&P 500® are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by CBOE.