



Advisory Notice

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TO: All Firm Personnel
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FROM: Clearing House Department

ADVISORY #: 04-159

DATE: September 14, 2004

SUBJECT: **Gradual Conversion of Standard Equity Index Options from American-Style to European-Style Exercise**

CME recently announced plans to convert **all** its Standard Equity Index Options from American-Style to *European-style* exercise, on a gradual basis. This notice details the conversion schedule and includes the new commodity/ticker codes for the new European-style options.

Please note that both American-style and European-Style FLEX options will continue to be available for trading.

Conversion Schedule

The table below provides details of the conversion to European Style Exercise, which will take place in an orderly fashion over several months:

CME Equity index options Contract	Conversion to Euro-Style Exercise
S&P 500, S&P MidCap 400 NASDAQ-100, Russell 2000, Nikkei 225 (USD based)	All standard options will be American-style through the June, 2005 expiration ; thereafter, they will be European-style exercise.
E-mini S&P 500, S&P 500 Barra Growth Index, S&P 500 Barra Value	All standard options will be American-style through the December, 2004 expiration ; thereafter, they will be European-style exercise.

To give market participants time to make any necessary changes, CME's March 2005 options on E-mini S&P 500, S&P 500 Barra Growth and S&P 500 Barra Value Index

futures, originally scheduled to be listed for trading following the expiration of the September 2004 options, will be listed following the expiration of the October 2004 options on Monday, October 18, 2004. The September 2005 options on S&P 500, S&P MidCap 400 and Russell 2000 stock index futures, originally scheduled to be listed for trading following the expiration of the September 2004 options, will also be listed following the expiration of the October 2004 options on Monday, October 18, 2004. Additionally, the September 2005 options on NASDAQ 100 and Nikkei 225 (USD based) stock index futures, will be listed for trading following the expiration of the December 2004 options, as scheduled.

Commodity Codes

The following table lists the commodity and ticker codes for the new European-style Equity Index Options.

Option Contract	***NEW*** Standard European- Style Commodity/Ticker Code
S&P 500	7P
E-mini S&P	7S
NASDAQ 100	7H
Russell 2000	7U
MidCap 400	8Z
Nikkei 225 (Dollar-based)	7N
S&P BARRA Growth	7G
S&P BARRA Value	7W

If you have any questions, please contact Lisa Amato at 312.338.2654, email lamato@cme.com or lsutor@cme.com. Thank you.