



Regulatory Information Circular			
Circular Number:	2005-27	Contact:	Russ Davidson
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Subject: Rule Change Notice – Elimination of the Nasdaq 100 Index (NDX) Position and Exercise Limits

On Wednesday, December 7, 2005, the Securities and Exchange Commission approved a proposed rule change (SR-ISE-2005-45) to eliminate position and exercise limits for options on the Nasdaq 100 Index.¹ Effective December 8, 2005, the following position and exercise limit will change:

Index:	Nasdaq 100 Index (NDX)
Previous position limit:	75,000 contracts
New position limit:	Unlimited

In addition, there is a new reporting requirement. If an account holds a position in NDX options that exceed 100,000 contracts on one side of the market, these positions must be reported with applicable hedge information to the ISE.² Please fax the information to (212) 425-4890 or e-mail surveillance@iseoptions.com.

All other index position/exercise limits will remain unchanged.

Please contact me with any questions.

¹ This change will apply to NDX options only. Nasdaq 100 Mini-NDX (MNX) position and exercise limits will remain at 750,000 contracts.

² This requirement will not apply to Market Makers.