

MEMO# 2181

September 12, 1990

CBOE PROPOSES AMENDMENTS TO PROPOSED RULE CHANGES THAT WOULD PERMIT TRADING OF UITs AND RELATED INTERESTS

September 12, 1990 TO: UNIT INVESTMENT TRUST COMMITTEE NO. 40-90 RE: CBOE
PROPOSES AMENDMENTS TO PROPOSED RULE CHANGES THAT WOULD PERMIT TRADING OF
UITs AND RELATED INTERESTS _____

The Chicago Board Options Exchange, Inc. ("CBOE") has proposed amendments that would modify previously proposed CBOE rule changes intended to permit trading of unit investment trusts and interests in such trusts. Those rule changes are specifically designed to accommodate trading of unit investment trusts interests called "SuperShares", sponsored by SuperShares Services Corporation, and generally would apply to "any share, unit, or other interest in or relating to a unit investment trust, including any component resulting from the subdivision or separation of such an interest". A copy of the notice of the proposed amendments is attached. The proposed amendments to the rule changes would, among other things, clarify that the stock market index on which a UIT interest may be based must be a broad-based index of the type that the SEC has previously reviewed and approved for index products. The amendments also would modify the applicable customer suitability standard and make certain other clarifying changes. As indicated in the attached notice, comments on the proposed amendments must be filed by Wednesday, September 26. Frances M. Stadler Assistant General Counsel Attachment