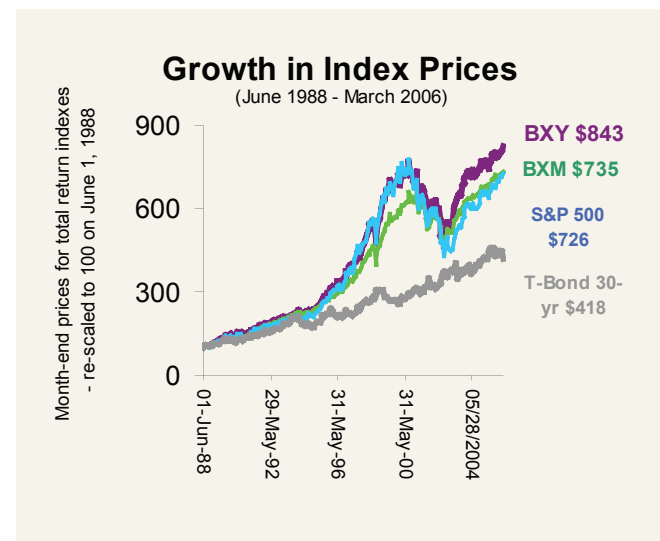
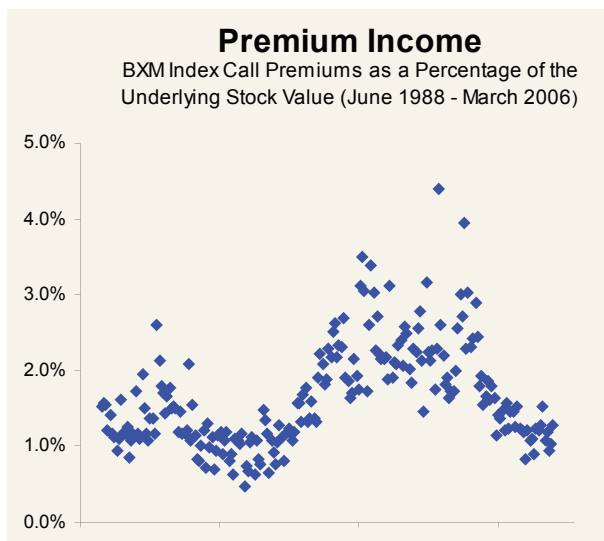
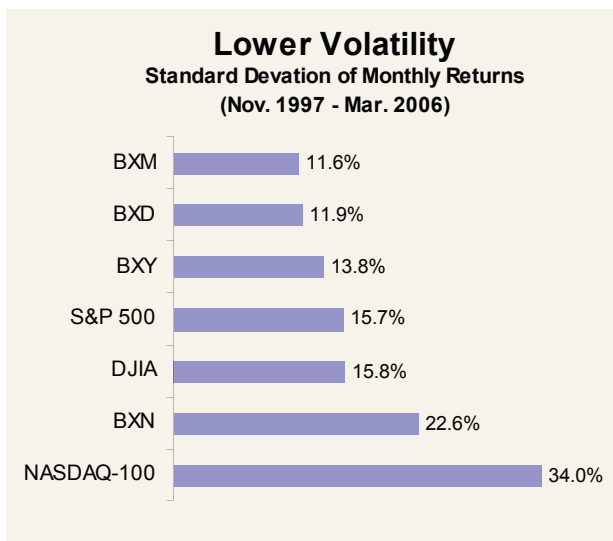


- *Would you like extra income for your portfolio?*
- *Do you need a cushion against downside moves in the market?*
- *Are you willing to limit upside potential in return for potentially less volatility in your portfolio?*

If so, explore the CBOE BuyWrite Indexes, the first major benchmarks for buywrite options performance.

- **BXM<sup>SM</sup>** - CBOE S&P 500 BuyWrite Index,
- **BXD<sup>SM</sup>** - CBOE DJIA BuyWrite Index,
- **BXN<sup>SM</sup>** - CBOE NASDAQ-100 BuyWrite Index, and
- **BXY<sup>SM</sup>** - CBOE S&P 500 2% OTM BuyWrite Index



Sources: Bloomberg and CBOE

## Methodology for CBOE BuyWrite Indexes

- Passive total return benchmark indexes designed to reflect this strategy:
- Buy a stock index portfolio, and
- Write a covered index call option for income, usually on the third Friday of the month.

## Highlights of the CBOE BuyWrite Indexes

- A study by Duke University provided the initial methodology and performance review for the BXM Index.
- A 2004 case study by the Ibbotson Associates consulting firm found that the BXM has had the best risk-adjusted performance of the major domestic and international equity-based indexes over the previous 16 years.
- Ten investment firms now are licensed to offer investment products on one or more of the CBOE BuyWrite Indexes.
- More than 40 new buywrite investment products with \$18 billion in assets have been launched since the publication of the Ibbotson case study in summer 2004.
- The BXM Index won the “Most Innovative Index of the Year” award at a major indexing conference.

More information is available at  
[www.cboe.com/BXM](http://www.cboe.com/BXM)

## YEAR-END PRICES

	CBOE S&P 500 BuyWrite Index <b>BXM</b>	CBOE DJIA BuyWrite Index <b>BXD</b>	CBOE NASDAQ- 100 BuyWrite <b>BXN</b>	CBOE S&P 500 2% OTM BuyWrite <b>BXY</b>
1988	108.13			109.76
1989	135.17			145.53
1990	140.56			148.33
1991	174.85			182.35
1992	195.00			202.48
1993	222.50			224.80
1994	232.50		100	235.14
1995	281.26		123.88	313.21
1996	324.86		153.46	375.30
1997	411.41	104.55	184.03	486.95
1998	489.37	113.81	242.6	590.39
1999	592.96	138.22	346.01	706.60
2000	636.82	153.99	306.35	720.45
2001	567.25	139.93	242.4	638.22
2002	523.92	135.43	210.91	560.01
2003	625.38	157.36	289.69	699.51
2004	677.26	162.15	315.78	767.62
2005	706.04	165.82	327.7	801.51

## ANNUAL PRICE CHANGES

CBOE S&P 500 BuyWrite Index <b>BXM</b>	CBOE DJIA BuyWrite Index <b>BXD</b>	CBOE NASDAQ- 100 BuyWrite <b>BXN</b>	CBOE S&P 500 2% OTM BuyWrite <b>BXY</b>
25.0%			32.6%
4.0%			1.9%
24.4%			22.9%
11.5%			11.0%
14.1%			11.0%
4.5%			4.6%
21.0%		23.9%	33.2%
15.5%		23.9%	19.8%
26.6%		19.9%	29.7%
18.9%	8.9%	31.8%	21.2%
21.2%	21.4%	42.6%	19.7%
7.4%	11.4%	-11.5%	2.0%
-10.9%	-9.1%	-20.9%	-11.4%
-7.6%	-3.2%	-13.0%	-12.3%
19.4%	16.2%	37.4%	24.9%
8.3%	3.0%	9.0%	9.7%
4.2%	2.3%	3.8%	4.4%

## RETURNS & RISKS

(June 1988 - March 2006)

	CBOE S&P 500 BuyWrite <b>BXM</b>	CBOE S&P 500 2% OTM BuyWrite <b>BXY</b>	S&P 500 Total Return	Citigroup 5- yr Treasury	Citigroup 30-yr Treasury
<b>Annualized Returns</b>	11.84%	12.70%	11.76%	6.65%	8.36%
<b>Standard Deviation of Monthly Returns</b>	9.4%	11.7%	14.0%	4.6%	10.3%

Sources: CBOE, Bloomberg, and Citigroup Fixed Income Indexes.

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 (the “ODD”). The ODD and supporting documentation for any claims, comparisons, recommendations, statistics or other technical data in this Quick Reference Guide (“QRG”) are available by calling 1-888-OPTIONS, or contact CBOE at [www.cboe.com/Contact](http://www.cboe.com/Contact). The information in this QRG is provided solely for general education and information purposes and therefore should not be considered complete, precise, or current. Many of the matters discussed are subject to detailed rules, regulations, and statutory provisions which should be referred to for additional detail and are subject to changes that may not be reflected in these materials. No statement within this QRG should be construed as a recommendation to buy or sell a security or to provide investment advice. The CBOE S&P 500 BuyWrite Index (BXM<sup>SM</sup>), CBOE S&P 500 2% OTM BuyWrite Index (BXY<sup>SM</sup>), CBOE DJIA BuyWrite Index (BXD<sup>SM</sup>), and CBOE NASDAQ-100 BuyWrite Index (BXN<sup>SM</sup>) (the “Indexes”) are designed to represent proposed hypothetical buy-write strategies. Like many passive benchmarks, the Indexes do not take into account significant factors such as transaction costs and taxes. Transaction costs and taxes for a buy-write strategy could be significantly higher than transaction costs for a passive strategy of buying-and-holding stocks. Investors attempting to replicate the Indexes should discuss with their brokers possible timing and liquidity issues. Past performance does not guarantee future results. This QRG contains comparisons, assertions, and conclusions regarding the performance of indexes based on backtesting, i.e., calculations of how the indexes might have performed in the past if they had existed. Backtested performance information is purely hypothetical and is provided in this document solely for informational purposes. The methodology of the Indexes is owned by Chicago Board Options Exchange, Incorporated (CBOE) may be covered by one or more patents or pending patent applications. Standard & Poor’s®, S&P®, and S&P 500® are registered trademarks of The McGraw-Hill Companies, Inc. and are licensed for use by CBOE. “Dow Jones”, “The Dow”, “DJIA” and “Dow Jones Industrial Average” are trademarks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by CBOE. CBOE’s options based on Dow Jones indexes and financial products based on the CBOE DJIA BuyWrite Index are not sponsored, endorsed, marketed or promoted by Dow Jones and Dow Jones makes no representations regarding the advisability of investing in such products. Nasdaq®, Nasdaq-100®, and Nasdaq-100 Index®, are trademarks of The Nasdaq Stock Market, Inc. (which with its affiliates is referred to as the “Corporations”) and are licensed for use by CBOE. The CBOE NASDAQ-100 BuyWrite Index (the “BXN Index”) is not derived, maintained, published, calculated or disseminated by the Corporations. CBOE® and Chicago Board Options Exchange® are registered trademarks of CBOE and BXM, BXD, BXN and BXY are service marks of CBOE.

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