



**AMERICAN  
STOCK EXCHANGE®**  
Equities Options ETFs

## **EQUITY OPTIONS**

### **Information Circular**

#04-0578 Derivative Securities

**Date**      **October 8, 2004**

**To**         **Members, Member Organizations and Registered Option Principals**

**From**      **Ann B. Pierre, Options Research Manager**

**Subject**   **Limited Brands, Inc. (LTD) – Partial Self Tender Offer**

Limited Brands, Inc. (LTD) is offering to purchase for cash up to 80,000,000 shares of its outstanding common stock, at a purchase of not greater than \$25.00 nor less than \$21.75 per share.

**The offer and withdrawal rights will expire at 12:00 midnight, New York City Time, on Thursday, November 4, 2004, unless extended.**

The foregoing is an unofficial summary of the terms and conditions of the partial tender offer. Complete details and terms of the offer are contained in the Offer to Purchase (dated 10/07/04) and in the related Letter of Transmittal which can be obtained from the Information Agent: D.F. King & Co., Inc., 48 Wall Street, New York, NY 10005, (888) 628-8208.

#### **Short Tendering**

Since LTD put and call options are traded on the Exchange, questions may arise concerning the application of SEC Rule 14e-4, which prohibits short and hedged tendering of securities during partial tender offers. Essentially, 14e-4 requires all tendering security holders to be net long the amount of securities tendered at both the time of the tender and at the end of the proration period. It is our understanding that Rule 14e-4 applies to the LTD tender offer as follows:

1. Holders of LTD call option contracts may not tender solely on the basis of ownership of such options. However, a holder who has issued irrevocable instructions to exercise such options may then tender the shares that underlie such options;
2. LTD shareholders who have written (sold) in-the-money LTD call option contracts on or after the date the offer was publicly announced must deduct from their net long position the number of shares deliverable upon the exercise of such options. A call option will be considered in-the-money if the exercise price is less than the highest tender offer price or stated value of the consideration offered.

3. LTD shareholders who have written (sold) in-the-money LTD call options contracts prior to the date the offer was publicly announced may tender their shares without reducing their net long positions.

**The foregoing is merely intended to address the most commonly asked questions regarding partial tender offers and is prepared by the Exchange for the convenience of its members. The Exchange, however, accepts no responsibility for its accuracy or completeness.**

Questions concerning this circular may be directed to the AMEX Derivative Securities Hotline at (800) THE-AMEX. Copies of this and other Information Circulars may be accessed on our AmexTrader.com website.