| **OPTIONS EXCHANGE** | | | |
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| **Market Information Circular** | | | |
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| **Date**: | April 22, 2010 | **Telephone**: | (877) 473-9989 |

## Subject: Order Entry Price Validity Check Threshold Reduction

The purpose of this Market Information Circular is to announce a reduction in the threshold by which the ISE rejects incoming complex and regular orders when a product is in a regular trading state <u>beginning Monday, April 26, 2010</u>. Currently, upon entry, if an order is priced $3.00 or 20% (whichever is greater) through the ISE's BBO (for regular Orders) or the ISE's synthetic BBO (for complex orders), the order will be rejected upon entry. In order to better serve our customers, the ISE will be <u>reducing this threshold to $1.00</u> through the ISE's BBO or the synthetic BBO for orders.

**Example 1:**

Single leg order - ISE BBO $4.00x$4.05

Complex order - ISE's synthetic BBO $4.00x$4.05

Currently: An incoming buy order would have to be priced at $7.05 or greater and an incoming sell order would have to be priced at $1.00 or less to be rejected by the ISE.

After reduction: An incoming buy order priced higher than $5.05 and an incoming sell order priced lower than $3.00 will be rejected by the ISE.

**Example 2:**

Single leg order - ISE BBO $20.00x$20.50

Complex order - ISE's synthetic BBO $20.00x$20.50

Currently: An incoming buy order would have to be priced at $24.60 or greater and an incoming sell order would have to be priced at $16.00 or less to be rejected by the ISE.

After reduction:  An incoming buy order priced higher than $21.50 and an incoming sell order priced less than $19.00 will be rejected by the ISE.


If you have any questions regarding our implementation of the order entry price validity check, please contact ISE Market Operations at 877-473-9989 or helpdesk@ise.com.