

OPTIONS EXCHANGE			
Market Information Circular			
<b>Circular number:</b>	2010-40	<b>Contact:</b>	Mike Fodor
<b>Date:</b>	July 2, 2010	<b>Telephone:</b>	212-897-8136

The purpose of this Market Information Circular (MIC) is to announce the addition of **three new** classes to the penny pilot program. This is a change from information published in MICs 2010-36 and 2010-39.

### Subject: Options - Penny Pilot Replacements

On Tuesday, July 6, 2010, the ISE, in conjunction with the options industry, will replace two classes from the penny pilot program that no longer trades with the next most active class not yet in the program.

As part of the Penny Pilot a select number of options may trade in 1-cent increments when priced below \$3.00. Options priced at \$3.00 and above will trade in 5-cent increments. Exceptions to these increments are symbols IWM, QQQQ, and SPY which are the only securities permitted to trade in 1-cent increments at all levels.

The replacement will be:

Class to be Removed		Class to be Added	
Symbol	Company Name	Symbol	Company Name
JAVA	Sun Microsystems, Inc.	BIDU	Baidu Inc.
XTO	XTO Energy Inc.	ABK	Ambac Financial Group Inc
PALM	Palm Inc	SD	SandRidge Energy Inc

This list is also available on the ISE website:

<http://www.ise.com/WebForm/viewPage.aspx?categoryId=152>

Please contact me with any questions.