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**Memo No. # 0505-08**

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To: Equity Option Members and Member Firms  
Subject: PHLX XL New Complex Order System

As part of an ongoing effort to provide our Member Firms with enhanced services the Philadelphia Stock Exchange ("PHLX") is pleased to announce the initiative to introduce a new Complex Order System into the Options Trading System platform. The Complex Order System will be rolled out in a multi-phased approach. The first phase is being schedule for release in May 2008 pending SEC approval. This initial release will provide for trading of Complex Orders, an order book for Complex Orders and price improvement opportunity for strategy orders involving two different options. Later phases will include functionality for trading strategies with more than two options for orders with a stock component.

The release of Complex Orders contains numerous system wide modifications as it relates to the functionality of all PHLX Options Trading System applications. As a result, Member Firms wanting to participate in sending Complex Orders to the PHLX will need to make the appropriate modifications to their current application(s) sooner rather than later. The Option Trading System application specifications have been revised to reflect these changes and are immediately available on the PHLX website at <https://www.phlx.com/ETS/phlxxl.html>.

**Application Testing**

The PHLX is scheduled to begin accepting requests for application testing starting **April 14, 2008**. To schedule application test dates and times Member Firms can contact Herman Gottfried at 215-496-5678 or email [herman.gottfried@phlx.com](mailto:herman.gottfried@phlx.com).

**Connecting To the PHLX**

To establish or re-establish network and/or application connectivity to the PHLX test environment, contact the Technical Account Management Group at 215-496-5310 or email your request to [qatamg@phlx.com](mailto:qatamg@phlx.com).

Future updates will be published with the specific go live date as we get closer to the intended release date. If you have any questions regarding this memorandum you may contact Marty Sonntag, AVP Options Trading Systems at 215-496-5458 or Shelly Brown, VP Options Trading Systems at 215-496-5602.

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