

MEMORANDUM

**TO: Members, Member Organizations, Participants and Participant Organizations**

**FROM: Edward Deitzel  
Vice President On-Floor Options Surveillance**

**DATE: May 9, 2008**

**RE: Opening Trades**

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Options specialists are reminded that Philadelphia Stock Exchange, Inc. ("PHLX" or "Exchange") rules require one price executions for opening transactions. Specifically, PHLX Rule 1017- Openings In Options, Commentary .03 *Opening Price, Section (a)* states: It is the responsibility of the specialist to determine the single price at which an option series opens on the Exchange. Unless a specific exemption is given by an Options Exchange Official, the price of an opening transaction in an option series may only be determined at a price that is within an acceptable range (as determined by the Options Committee in the case of an equity option or an index option and as determined by the FCO Committee in the case of U.S. dollar-settled FCO, and announced to the membership via regulatory circular) compared to the highest offer and the lowest bid (e.g., the upper boundary of the acceptable range may be 125% of the highest offer and the lower boundary may be 75% of the lower bid).

Questions regarding this circular, please feel free to contact Michael Blackson at 215-496-5295, Ed Deitzel at 215-496-5298 or e-mail us at [onfloorsurv@phlx.com](mailto:onfloorsurv@phlx.com).