

MEMORANDUM

TO: Members and Member Organizations

FROM: William C. Terrell

DATE: February 20, 2008

RE: Trading FLEX® U.S. Dollar-Settled Foreign Currency Options

Please be advised that, trading of FLEX® U.S. Dollar-Settled Foreign Currency Options will commence on Monday, February 25, 2008.

All FLEX® options must be quoted and traded in the trading crowd of the corresponding non-FLEX® option. Quoting and trading in FLEX® currency options will be subject to Rule 1079(b), which currently governs the quoting and trading of FLEX® index and equity options. Rule 1079(c), which governs who may trade FLEX® options, will apply to FLEX® currency options in the same manner as FLEX® index and equity options. In addition, crossing in FLEX® currency options will be governed by Rule 1079(b)(6), which currently applies to crosses in FLEX® index and equity options.

If there is no open interest in the particular FLEX® currency option series when a request for a quote ("RFQ") is submitted, the minimum size of an RFQ for FLEX currency options will be 50 contracts.

If there is open interest, the minimum size of the RFQ will be 25 contracts, or the remaining size on a closing transaction, whichever is less.

The minimum value size for a responsive quote, other than a responsive quote of an assigned Registered Options Trader ("ROT") or assigned Specialist, will be 50 contracts or the remaining size on a closing transaction, whichever is less. Assigned ROTs and assigned Specialists who respond to an RFQ will be required to respond to each RFQ with at least 250 contracts or the size amount requested in the RFQ, whichever is less.

The Exchange has determined that, initially, FLEX® currency options will have the same trading hours as non-FLEX® U.S. dollar-settled Foreign Currency Options.

For additional information regarding FLEX® U.S. Dollar-Settled Foreign Currency Options, please refer to Memorandum #0358-08, dated February 20, 2008.

[FLEX® Contract Specifications](#)