

MEMORANDUM

TO: Members, Member Organizations, Participants and Participant Organizations

FROM: William C. Terrell

DATE: February 21, 2008

RE: Reduction of Response Time for RFQ's for FLEX® Options.

Following an RFQ announcement for FLEX® Options, a preset response time begins, during which members may provide responsive quotes. As stated in existing Rule 1079(b)(2), the response time, between two (2) and fifteen (15) minutes, is determined by the Options Committee.

Currently, the response time for members to provide responsive quotes to an RFQ for Equity, Index, and Currency FLEX® Options is ten (10) minutes.

The Options Committee has directed that, effective Monday, February 25, 2008, the preset response time for Equity, Index, and U.S. Dollar-Settled Foreign Currency FLEX® Options will be decreased to two (2) minutes.

If you should have any questions concerning the above, please call me at 215-496-5205.