

MEMORANDUM

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

FROM: Office of the Secretary

RE: Executive Committee Meeting of January 30, 2008

DATE: January 31, 2008

The Executive Committee of the Philadelphia Stock Exchange, Inc. (“Phlx” or the “Exchange”) Board of Governors convened on Wednesday, January 30, 2008, and, pursuant to delegated authority of the Board of Governors under By-Law Article X, Section 10-14(b), took the following actions:

- Approved the draft minutes of the Executive Committee Meeting of January 16, 2008.
- Approved the postponement of the Exchange’s nominating and election process pursuant to the Exchange By-Laws, including Sections 3-2, 3-6, 3-7, and 28-2, until after the closing date of the Agreement and Plan of Merger with NASDAQ (“Closing Date”) to a date to be determined by the Board following the Closing Date. The Committee further resolved that in the event that the Closing Date does not occur, the Board will promptly meet to set dates by which the nominating and election process shall occur.
- Approved and authorized staff to file a proposed rule change with the Securities and Exchange Commission (“SEC”) to move the opening of physical delivery foreign currency options trading from 7:30 a.m. Eastern Time (“ET”) to 9:30 a.m. ET.
- Approved and authorized staff to file with the SEC to permit the listing and trading of option contracts on Exchange Traded Fund Shares with a unit of trading of 1000 shares, and on Trust Issued Receipts with a unit of trading of 1000 receipts, generally as presented in the memorandum dated January 3, 2008 from Exchange staff to the Committee, and that the Committee also authorizes staff to make any further additional clarifying, stylistic and non-substantive changes that are necessary or appropriate to obtain Commission approval of the proposed rule change.

- Approved and authorized staff to file a proposed rule change with the SEC to amend Phlx Rule 604(e)(iii), which contains the exemptions to the requirement on certain off-floor traders to successfully complete the Series 7 General Securities Registered Representative Examination.
- Approved and authorized staff to file a proposed rule change with the SEC to adopt Phlx Rule 166, Cancellation or Revision of Two-Sided Orders, which provides for an additional means for XLE Participants to cancel or revise the execution of two-sided orders on XLE.
- Approved and authorized staff to file a proposed rule change with the SEC to amend the Exchange's payment for order flow program to eliminate the payment for order flow fee on transactions executed on the Exchange as a result of an outbound Linkage Principal Acting as Agent ("P/A") order.