



Memorandum #1953-08

MEMORANDUM

To: All Members and Member Organizations
Subject: Exchange Rule 1017, Openings in Options
Date: November 20, 2008

On November 18, 2008, the Securities and Exchange Commission (“SEC”) issued a release for immediate effectiveness for amendments to Exchange Rule 1017, Openings in Options. The Exchange no longer uses “primary market” in its rules concerning openings. Instead, the term market for the underlying security in respect of an underlying stock or Exchange-Traded Fund Share means either the primary listing market, the primary volume market (defined as the market with the most liquidity in that underlying security for the previous two calendar months), or the first market to open the underlying security, as determined by the Exchange on an issue-by-issue basis and communicated to members on the Exchange’s web site.

Over the next week, the Exchange will begin designating the market for the underlying security for certain issues and communicating those change to Members and Member Organizations accordingly. Effective November 21, 2008, the market for the underlying securities will be as follows:

Symbol	Current Market for the Underlying Security	New Market for the Underlying Security
SMH	NYSE Alternext US (formerly AMEX)	Nasdaq Stock Market
All other equity options	The primary listing market	

Additional changes and information will be forthcoming via Exchange memorandum.

Please visit http://www.phlx.com/regulatory/reg_rulefilings_app.aspx to view the rule filing and the SEC release.