Subject: Bid/Ask Differentials for NDX and RUT Options

ISE Rule 803(b)(4) requires market makers to maintain bid/ask spreads as tight as .25 prior to the opening rotation and no wider than $5 at other times. The Exchange has determined to provide the following bid/ask differential relief in both Nasdaq 100 Index Options (NDX) and Russell 2000 Index Options (RUT).

Prior to the Opening Rotation

If the bid is less than $2, the bid/ask spread may be up to $.75 wide.
If the bid is from $2 to $4.90, the bid/ask spread may be up to $1 wide.
If the bid is from $5 to $9.90, the bid/ask spread may be up to $1.50 wide.
If the bid is from $10 to $19.90, the bid/ask spread may be up to $3 wide.
If the bid is from $20 to $39.90, the bid/ask spread may be up to $6 wide.
If the bid is from $40 to $79.90, the bid/ask spread may be up to $12 wide.
If the bid is from $80 to $199.90, the bid/ask spread may be up to $18 wide.
If the bid is $200 or greater, the bid/ask spread may be up to $22 wide.

Following the Opening Rotation

If the bid is under $20, the bid/ask spread may be up to $5.
If the bid is from $20 to $39.90, the bid/ask spread may be up to $6 wide.
If the bid is from $40 to $79.90, the bid/ask spread may be up to $12 wide.
If the bid is from $80 to $199.90, the bid/ask spread may be up to $18 wide.
If the bid is $200 or greater, the bid/ask spread may be up to $22 wide.

This relief is granted through the December 2011 Expiration Cycle.