

Memorandum No. 0842-07
SR-Phlx-2007-21
Release No. 34-55539

MEMORANDUM

TO: Members, Member Organizations, Participants and Participant Organizations

FROM: Edith Hallahan, Legal Department

DATE: April 5, 2007

RE: Reduction of Linkage Timer

The Exchange has implemented, effective April 2, 2007, amendments to Exchange rules related to the Intermarket Options Linkage to do the following:

* The amount of time a member must wait after sending a Linkage Order to a market before the member can trade through that market has been reduced from 20 seconds to 5 seconds.

* The time by which a member must respond to a Linkage Order after receipt of the Order has been reduced from 15 seconds to 5 seconds.

The Exchange filed this proposed rule change, along with the other options exchanges, following the Options Linkage Authority's ("OLA," which consists of the six U.S. options exchanges) determination to amend the Linkage Plan to account for technological developments and Linkage trading experience since the original implementation of the Linkage Plan.

Questions on the change may be directed to Bill Terrell at 215-496-5205 or the Phlx XL Help Desk at 215-496-5101.