



Memo # 1949-07

MEMORANDUM

TO: Members and Member Organizations

FROM: William N. Briggs, Executive Vice President – Administration,
Finance & Business Development

DATE: August 7, 2007

RE: Options Specialist Shortfall Fee – October 2007

As previously announced in memorandum no. 2000-130 dated August 24, 2000, the options specialists shortfall transaction fee became effective on August 1, 2000. Modifications to the fee were announced in memorandum no. 2001-2255-01 dated December 19, 2001. This fee of \$0.35 per contract is paid by the specialist trading any Top 120 Option if at least 12% (effective July 1, 2003) of the total national monthly contract volume for such Top 120 Option is not effected on the PHLX in that month.

Attached is a list of the Top 120 Options for the October 2007 billing.

The Exchange believes it is necessary to continue to attract order flow to the Exchange in order to remain competitive. This fee should encourage specialists to compete for order flow, which not only enhances the specialist's role, but also provides additional revenue to the Exchange. For questions regarding the billing and collection of this fee, please contact Joseph Jennings at (215)-496-1467.

**TOP 120 Multiply-Listed Options
For Charges in October 2007
(Comparative Volume, July 2007)**

#	Symbol	Company
1	QQQQ	NASDAQ-100 Index Tracking Stock
2	IWM	iShares Russell 2000 Index Fund
3	SPY	SPDR Trust Series 1
4	AAPL	Apple Computers, Inc.
5	XLF	S&P Financial Select Sector SPDR
6	INTC	Intel Corporation
7	AA	Alcoa Inc
8	BMJ	Bristol-Meyers Squibb Company
9	GOOG	Google, Inc.
10	GE	General Electric Company
11	YHOO	Yahoo!, Inc.
12	MSFT	Microsoft Corporation
13	AMD	Advanced Micro Devices, Inc.
14	GM	General Motors Corporation
15	DNDN	Dendreon Corporation
16	AMZN	Amazon.com, Inc.
17	FCX	Freeport-McMoRan Cooper & Gold, Inc.
18	RIMM	Research in Motion Ltd.
19	DIA	DIAMONDS Trust Series I
20	C	Citigroup, Inc.
21	XLE	S&P Energy Select Sector SPDR
22	QCOM	QUALCOMM, Inc.
23	OIH	Oil Services HOLDERS
24	SNDK	SanDisk Corporation
25	GS	Goldman Sachs Group, Inc.
26	BAC	Bank of America Corporation
27	XOM	Exxon Mobil Corporation
28	JPM	JP Morgan Chase & Co.
29	CSCO	Cisco Systems, Inc.
30	T	AT&T, Inc
31	COP	ConocoPhillips
32	MER	Merrill Lynch & Co., Inc.
33	F	Ford Motor Company
34	HD	Home Depot, Inc.
35	VLO	Valero Energy Corporation
36	TGT	Target Corporation
37	BIDU	Baidu.com, Inc.
38	BOT	CBOT Holdings, Inc
39	CAT	Caterpillar Inc
40	EMC	EMC Corporation
41	MO	Altria Group Inc.
42	SMH	Semiconductor HOLDERS

43 VZ	Verizon Communications
44 SCHW	Charles Schwab Corporation, The
45 LEH	Lehman Brothers Holdings Inc
46 MRVL	Marvell Technology Group Ltd.
47 EEM	iShares MSCI Emerging Markets Index
48 PFE	Pfizer, Inc.
49 MU	Micron Technology, Inc.
50 EBAY	eBay, Inc.
51 CFC	Countrywide Financial Corporation
52 MDY	MidCap SPDR
53 ELN	Elan Corporation PLC
54 AMGN	Amgen, Inc.
55 RIO	Companhia Vale do Rio Doce
56 SBUX	Starbucks Corporation
57 MOT	Motorola, Inc.
58 CROX	Crocs, Inc.
59 WMT	Wal-Mart Stores, Inc.
60 DELL	Dell Inc.
61 BRCM	Broadcom Corporation
62 IBM	International Business Machines Corporation
63 NRMX	Neurochem, Inc.
64 KFT	Kraft Foods Inc.
65 NFI	Novastar Financial, Inc.
66 MEDX	Medarex, Inc.
67 HAL	Halliburton Co
68 BSC	Bear Stearns Companies Inc
69 AIG	American International Group
70 AMR	AMR Corporation
71 NEM	Newmont Mining Corp.
72 WFC	Wells Fargo Company
73 SUNW	Sun Microsystems, Inc.
74 GLW	Corning Inc
75 SLB	Schlumberger Ltd.
76 KBH	KB HOME
77 DNA	Genentech, Inc.
78 NYX	NYSE Group, Inc.
79 LVLT	Level 3 Communications, Inc.
80 M	
81 PG	Procter & Gamble Company, The
82 WM	Washington Mutual Inc
83 TXN	Texas Instruments, Inc.
84 SLM	SLM Corporation
85 SHLD	Sears Holdings Corporation
86 MA	MasterCard, Inc.
87 MS	Morgan Stanley
88 AKAM	Akamai Technologies, Inc.
89 TASR	Taser International, Inc.
90 BEAS	BEA Systems, Inc.

91 MIR	Mirant Corporation
92 MRK	Merck & Co., Inc.
93 CVS	CVS Corp
94 CVX	Chevron Corporation
95 BZH	Beazer Homes USA, Inc.
96 GG	Goldcorp, Inc.
97 UAU	Ual Corporation
98 JNPR	Juniper Networks, Inc.
99 ICE	IntercontinentalExchange, Inc
100 WB	Wachovia Corp.
101 ORCL	Oracle Corporation
102 UNH	Unitedhealth Group, Inc.
103 AXP	American Express Company
104 BA	Boeing Company, The
105 IMB	
106 TWX	Time Warner, Inc.
107 UPS	United Parcel Service, Inc.
108 APA	Apache Corp
109 HOV	Hovnanian Enterprises, Inc.
110 KO	Coca-Cola Company, The
111 ABX	Barrick Gold Corporation
112 RIG	Transocean, Inc.
113 AHM	American Home Mortgage Investment Corp.
114 NVDA	NVIDIA Corporation
115 GRMN	Garmin Ltd.
116 WMB	Williams Companies, Inc.
117 JNJ	Johnson & Johnson
118 PHM	Pulte Homes, Inc.
119 IYR	iShares Dow Jones US Real Estate Sector Index
120 WYE	Wyeth