

MEMORANDUM

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

FROM: Office of the Secretary

RE: Executive Committee Meeting of August 10, 2007

DATE: August 14, 2007

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On Friday, August 10, 2007, the Executive Committee of the Board of Governors (“Committee”) of the Philadelphia Stock Exchange, Inc. (“Exchange”) met and took the following actions:

- The Committee approved the minutes of the July 19, 2007 meeting.
- The Committee approved a proposed rule change with the Securities and Exchange Commission (“SEC”) to eliminate from the Philadelphia Board of Trade (“PBOT”) Market Data Distribution Network (“MDDN”) fee schedule the “snapshot” market data fee of \$.0025 per request for the Proprietary Sector Index Spot and Settlement Values.
- The Committee approved staff to file a proposed rule change to list and trade cash-settled index options on the SIG Railroad Index (SRW).
- The Committee approved, and authorized staff to file to adopt: (i) amendments to Exchange Rule 1034 that reflect the extension of a pilot program (the “pilot”) that permits certain options series to be quoted and traded in increments of \$0.01, through January 31, 2009; and (ii) an increase in the number of options included in the pilot as set forth in a rollout schedule specified by the Securities and Exchange Commission.
- The Committee approved, and authorized staff to file to adopt, a change to the Phlx XL electronic options trading platform that will automatically purge quotations submitted by specialists, Streaming Quote Traders (“SQTs”) and Remote Streaming Quote Traders (“RSQTs”) with a bid price of \$0.00 and an offering price of \$99,999.00.
- The Committee recommended to the Board of Governors for final approval the following amendments to the 2007/2008 Standing Committees as follows: (1) the addition of Anthony Koppenheffer to the Admissions Committee; and (2) the removal of Joe Valenza from the Quality of Markets Committee and the addition of Brian Falls to the Quality of Markets Committee.

- The Committee approved funds in the amount of \$106,810 to purchase a Project Management Database and funds in the amount of \$300,000 to upgrade the Exchange Mainframe.
- The Committee approved and authorized staff to file a proposed rule change to delete the term NMS Linkage Plan and related references from Exchange Rule 607 and the XLE Fee Schedule.