

MEMORANDUM

To: All Options Members, Member Organizations and ROTs.
From: Market Watch
Date: August 17, 2007
Re: K Swiss Inc. (KSWS/SWU)
2009/2010 LEAPS TO BEGIN TRADING ON AUGUST 20, 2007

Please be advised that the Philadelphia Stock Exchange (PHLX) will begin listing LEAPS on the following issue effective Monday, August 20, 2007:

Name: K Swiss Inc. (KSWS/SWU)
LEAP Symbol(s): XYY - 2009
YQP - 2010
P/E Limit: 50000 contracts
Specialist Unit: Citadel Derivatives Trading Group LLC

Below find the 2009/2010 LEAPs call and put option strike prices and codes which will be available for trading on Monday, August 20, 2007:

K Swiss Inc. (SWU/XYY/YQP)

				<u>Calls</u>	<u>Puts</u>
XYY/YQP	JAN	22 1/2		AX	MX
XYY/YQP	JAN	25		AE	ME
XYY/YQP	JAN	30		AF	MF

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or Options Services Department at (215) 496-1266.