



Memorandum No. 2092-07

MEMORANDUM

TO: Membership
FROM: Dan Carrigan, Vice President New Product Development
DATE: August 21, 2007
SUBJECT: Rule Change related to fees on World Currency Options

Effective August 16, 2007, the Exchange amended its fee schedule to place a cap on charges for customer executions for World Currency Options (WCO). We believe this change will assist floor broker efforts in pursuit of significant volume-based, floor broker-delivered foreign exchange options business.

Specifically, for orders per line item greater than 10,000 contracts, a maximum transaction charge of \$4,000 per trade side is applicable. This reflects the effective 10,000 contract cap multiplied by the current \$.40 per contract charge.

For example, if a customer seeks to place an order for 50,000 put / call collars, two line items of 50,000 contracts each would be presented. For billing purposes, the first 10,000 contracts per line item would be billed. Accordingly, in this example of a collar order representing a total of 100,000 contracts, customer fees would only be applicable to 20,000 contracts.

For further information on WCOs, please contact Jeff Greenberg at 215 496-1644 or me at 215 496-5017.