

MEMORANDUM

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

FROM: Office of the Secretary

RE: Executive Committee Meeting of August 22, 2007

DATE: August 23, 2007

The Executive Committee of the Philadelphia Stock Exchange, Inc. (“Phlx” or the “Exchange”) Board of Governors convened on Wednesday, August 21, 2007, and, pursuant to delegated authority of the Board of Governors under By-Law Article X, Section 10-14(b), took the following actions:

- Approved the draft minutes of the Executive Committee Meetings of August 10, 2007 and August 15, 2007.
- Approved and authorized staff to file a proposed rule change to amend Exchange Rule 1079 and related rules as necessary to permit the listing and trading of FLEX U.S. dollar-settled foreign currency options (“FCO”).
- Approved and authorized staff to file a proposed rule change to amend Exchange Rule 1079(b)(9) that the trading hours for FLEX U.S. dollar-settled FCO shall be from 9:30 AM to 4:00 PM.
- Approved and authorized staff to file a proposed rule change to amend Exchange Rule 1079(b)(2) that, subject to the concurrence of the Options Committee, the preset response time for bids and offers following an RFQ for FLEX U.S. dollar-settled FCO shall be two minutes.
- Approved and authorized staff to file a proposed rule change to amend Exchange Rule 1034, Minimum Increments, so that the smaller minimum increments applicable to physical delivery FCO and customized U.S. dollar-settled FCO shall apply to the non-customized U.S. dollar-settled foreign currency options as well.
- Approved and authorized staff to file a proposed rule change to amend Phlx Rule 185(c)(2)(D) to allow IOC Cross Orders entered during the Pre Market or Post Market Sessions on XLE to trade through the Protected NBBO.

- Approved and authorize staff to file a proposed rule change to renumber the sections of Phlx Rule 185(c)(2)(D) to provide more clarity to those reading the rule.

- Approved and authorize staff to sign and file the proposed 12th Charges Amendment to the Consolidated Tape Association (“CTA”) Plan and the proposed 6th Charges Amendment the Consolidated Quotation (“CQ”) Plan making permanent a pilot program regarding a usage-based fee per quote pricing schedule for Network B data.