



PHLX Memorandum No. 2195-07

MEMORANDUM

TO: All Members, Member Organizations and Foreign Currency Options Participants
FROM: Walt Smith, Vice President
DATE: August 29, 2007
RE: Physically-settled foreign currency option (“FCO”) contracts delisting notice

Effective immediately, the Exchange will permit expiration dates for customized physical delivery FCO contracts until the last class expires on March 14, 2008.

As a reminder, the Exchange will delist all FCO contracts on or before effective January 1, 2008, provided that any FCO contracts with open interest as of that date will continue to be listed until the positions are closed or the contracts expire. The Exchange is no longer opening new series of FCO.

In the coming weeks, the Phlx expects to file with the Securities and Exchange Commission a proposed rule change to permit the trading of customized U.S. dollar-settled FCO (“World Currency Options” or “WCO”) as well as to permit the trading of WCO contracts in narrower increments.

If you have any questions regarding the information contained in this memorandum or any other Exchange matter, please feel free to contact me at 215-496-5532.