

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: December 4, 2007

**Re: Flir Systems, Inc. (FFQ/FLIR) - 2 for 1 Stock Split**

Flir Systems, Inc. (FFQ/FLIR) has declared a 2 for 1 stock split payable to share holders of record on Monday, November 12, 2007. Distribution date for the stock split will be Monday, December 10, 2007. **Ex-distribution date for the stock split will be Tuesday, December 11, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional FFQ option contract for each option contract held. Further, on the ex-distribution date each FFQ series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each FFQ series existing on the business day preceding the ex-distribution date. For example, beginning on Tuesday, December 11, 2007 an account holding (2) FFQ DEC 50 calls (FFQ LJ) will hold (4) FFQ DEC 25 calls (FFQ LE). Customers should be advised that (1) contract in the adjusted FFQ series will still represent 100 shares of FLIR common shares.

**POSITION/EXERCISE LIMITS:**

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 16, 2010

**GOOD-TILL-CANCELLED (GTC) ORDERS:**

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

The resulting list of adjusted strike prices and symbols is as follows:

Flir Systems, Inc. (FLIR/FFQ) (Before 12/11/2007) (1 Contract)					Flir Systems, Inc. (FLIR/FFQ) (Beginning 12/11/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
FFQ	DEC	50	LJ	XJ	FFQ	DEC	25	LE	XE
FFQ	DEC	55	LK	XK	FFQ	DEC	27 1/2	LY	XY
FFQ	DEC	60	LL	XL	FFQ	DEC	30	LF	XF
FFQ	DEC	65	LM	XM	FFQ	DEC	32 1/2	LZ	XZ
FFQ	DEC	70	LN	XN	FFQ	DEC	35	LG	XG
FFQ	DEC	75	LO	XO	FFQ	DEC	37 1/2	LU	XU
FFQ	DEC	80	LP	XP	FFQ	DEC	40	LH	XH
FFQ	DEC	85	LQ	XQ	FFQ	DEC	42 1/2	LV	XV
FFQ	JAN	10	AB	MB	FFQ	JAN	5	AA	MA
FFQ	JAN	15	AC	MC	FFQ	JAN	7 1/2	AR	MR
FFQ	JAN	20	AD	MD	FFQ	JAN	10	AB	MB
FFQ	JAN	25	AE	ME	FFQ	JAN	12 1/2	AS	MS
FFQ	JAN	30	AF	MF	FFQ	JAN	15	AC	MC
FFQ	JAN	35	AG	MG	FFQ	JAN	17 1/2	AT	MT
FFQ	JAN	40	AH	MH	FFQ	JAN	20	AD	MD
FFQ	JAN	45	AI	MI	FFQ	JAN	22 1/2	AX	MX
FFQ	JAN	50	AJ	MJ	FFQ	JAN	25	AE	ME
FFQ	JAN	55	AK	MK	FFQ	JAN	27 1/2	AY	MY

Flir Systems, Inc. (FLIR/FFQ)  
(Before 12/11/2007)  
(1 Contract)

			Calls	Puts
FFQ	JAN	60	AL	ML
FFQ	JAN	65	AM	MM
FFQ	JAN	70	AN	MN
FFQ	JAN	75	AO	MO
FFQ	JAN	80	AP	MP
FFQ	JAN	85	AQ	MQ
FFQ	JAN	90	AR	MR
FFQ	APR	30	DF	PF
FFQ	APR	35	DG	PG
FFQ	APR	40	DH	PH
FFQ	APR	45	DI	PI
FFQ	APR	50	DJ	PJ
FFQ	APR	55	DK	PK
FFQ	APR	60	DL	PL
FFQ	APR	65	DM	PM
FFQ	APR	70	DN	PN
FFQ	APR	75	DO	PO
FFQ	APR	80	DP	PP
FFQ	APR	85	DQ	PQ
FFQ	APR	90	DR	PR
FFQ	APR	95	DS	PS
FFQ	JUL	45	GI	SI
FFQ	JUL	50	GJ	SJ
FFQ	JUL	55	GK	SK
FFQ	JUL	60	GL	SL
FFQ	JUL	65	GM	SM
FFQ	JUL	70	GN	SN
FFQ	JUL	75	GO	SO
FFQ	JUL	80	GP	SP
FFQ	JUL	85	GQ	SQ
FFQ	JUL	90	GR	SR
FFQ	JUL	95	GS	SS

Flir Systems, Inc. (FLIR/FFQ)  
(Beginning 12/11/2007)  
(2 Contracts)

			Calls	Puts
FFQ	JAN	30	AF	MF
FFQ	JAN	32 1/2	AZ	MZ
FFQ	JAN	35	AG	MG
FFQ	JAN	37 1/2	AU	MU
FFQ	JAN	40	AH	MH
FFQ	JAN	42 1/2	AV	MV
FFQ	JAN	45	AI	MI
FFQ	APR	15	DC	PC
FFQ	APR	17 1/2	DT	PT
FFQ	APR	20	DD	PD
FFQ	APR	22 1/2	DX	PX
FFQ	APR	25	DE	PE
FFQ	APR	27 1/2	DY	PY
FFQ	APR	30	DF	PF
FFQ	APR	32 1/2	DZ	PZ
FFQ	APR	35	DG	PG
FFQ	APR	37 1/2	DU	PU
FFQ	APR	40	DH	PH
FFQ	APR	42 1/2	DV	PV
FFQ	APR	45	DI	PI
FFQ	APR	47 1/2	DW	PW
FFQ	JUL	22 1/2	GX	SX
FFQ	JUL	25	GE	SE
FFQ	JUL	27 1/2	GY	SY
FFQ	JUL	30	GF	SF
FFQ	JUL	32 1/2	GZ	SZ
FFQ	JUL	35	GG	SG
FFQ	JUL	37 1/2	GU	SU
FFQ	JUL	40	GH	SH
FFQ	JUL	42 1/2	GV	SV
FFQ	JUL	45	GI	SI
FFQ	JUL	47 1/2	GW	SW

Flir Systems, Inc. - 2009 Leap (FLIR/OIZ)  
(Before 12/11/2007)  
(1 Contract)

			Calls	Put
OIZ	JAN	15	AC	MC
OIZ	JAN	20	AD	MD
OIZ	JAN	25	AE	ME
OIZ	JAN	30	AF	MF
OIZ	JAN	35	AG	MG
OIZ	JAN	40	AH	MH
OIZ	JAN	45	AI	MI
OIZ	JAN	50	AJ	MJ
OIZ	JAN	55	AK	MK
OIZ	JAN	60	AL	ML
OIZ	JAN	65	AM	MM
OIZ	JAN	70	AN	MN
OIZ	JAN	75	AO	MO
OIZ	JAN	80	AP	MP

Flir Systems, Inc. - 2009 Leap (FLIR/OIZ)  
(Beginning 12/11/2007)  
(2 Contracts)

			Calls	Put
OIZ	JAN	7 1/2	AP	MP
OIZ	JAN	10	AB	MB
OIZ	JAN	12 1/2	AQ	MQ
OIZ	JAN	15	AC	MC
OIZ	JAN	17 1/2	AR	MR
OIZ	JAN	20	AD	MD
OIZ	JAN	22 1/2	AS	MS
OIZ	JAN	25	AE	ME
OIZ	JAN	27 1/2	AT	MT
OIZ	JAN	30	AF	MF
OIZ	JAN	32 1/2	AZ	MZ
OIZ	JAN	35	AG	MG
OIZ	JAN	37 1/2	AU	MU
OIZ	JAN	40	AH	MH

Flir Systems, Inc. - 2009 Leap (FLIR/OIZ)  
 (Before 12/11/2007)  
 (1 Contract)

			Calls	Put
OIZ	JAN	85	AQ	MQ
OIZ	JAN	90	AR	MR
OIZ	JAN	95	AS	MS
OIZ	JAN	100	AT	MT
OIZ	JAN	105	AA	MA
OIZ	JAN	110	AB	MB

Flir Systems, Inc. - 2009 Leap (FLIR/OIZ)  
 (Beginning 12/11/2007)  
 (2 Contracts)

			Calls	Put
OIZ	JAN	42 1/2	AV	MV
OIZ	JAN	45	AI	MI
OIZ	JAN	47 1/2	AW	MW
OIZ	JAN	50	AJ	MJ
OIZ	JAN	52 1/2	AX	MX
OIZ	JAN	55	AK	MK

Flir Systems, Inc. - 2010 Leap (FLIR/YYZ)  
 (Before 12/11/2007)  
 (1 Contract)

			Calls	Put
YYZ	JAN	20	AD	MD
YYZ	JAN	30	AF	MF
YYZ	JAN	40	AH	MH
YYZ	JAN	50	AJ	MJ
YYZ	JAN	60	AL	ML
YYZ	JAN	65	AM	MM
YYZ	JAN	70	AN	MN
YYZ	JAN	75	AO	MO

Flir Systems, Inc. - 2010 Leap (FLIR/YYZ)  
 (Beginning 12/11/2007)  
 (2 Contracts)

			Calls	Put
YYZ	JAN	10	AB	MB
YYZ	JAN	15	AC	MC
YYZ	JAN	20	AD	MD
YYZ	JAN	25	AE	ME
YYZ	JAN	30	AF	MF
YYZ	JAN	32 1/2	AZ	MZ
YYZ	JAN	35	AG	MG
YYZ	JAN	37 1/2	AU	MU

**Any additional FFQ series that are added prior to the ex-date will also be adjusted in the manner described above.**

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2,  
 or (215) 496-5380.