

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: February 20, 2007
 Re: **Quarterly Options Listing: iShares Russell 2000 Index Fund (IQQ/IWM)**

The Philadelphia Stock Exchange (PHLX) will begin trading quarterly options on iShares Russell 2000 Index Fund (IQQ/IWM) effective Wednesday, February 21, 2007

Specialist Unit: Citadel Derivatives Trading Group LLC
Position/Exercise Limit: 500,000 contracts
Expiration Cycle: March
Option Symbol & Cusip No.: IQQ: 464-287-655
Leap1 (2008) Sym & Cusip: YNL: N/A

iShares Russell 2000 Index Fund (IQQ/IWM)
 (Beginning 2/21/2007)

			Calls	Puts				Calls	Puts
IQQ	MAR	60	CH	OH	IQQ	JUN	69	FQ	RQ
IQQ	MAR	61	CI	OI	IQQ	JUN	70	FR	RR
IQQ	MAR	62	CJ	OJ	IQQ	JUN	71	FS	RS
IQQ	MAR	63	CK	OK	IQQ	JUN	72	FT	RT
IQQ	MAR	64	CL	OL	IQQ	JUN	73	FU	RU
IQQ	MAR	65	CM	OM	IQQ	JUN	74	FV	RV
IQQ	MAR	66	CN	ON	IQQ	JUN	75	FW	RW
IQQ	MAR	67	CO	OO	IQQ	JUN	76	FX	RX
IQQ	MAR	68	CP	OP	IQQ	JUN	77	FY	RY
IQQ	MAR	69	CQ	OQ	IQQ	JUN	78	FZ	RZ
IQQ	MAR	70	CR	OR	IQQ	JUN	79	FA	RA
IQQ	MAR	71	CS	OS	IQQ	JUN	80	FB	RB
IQQ	MAR	72	CT	OT	IQQ	JUN	81	FC	RC
IQQ	MAR	73	CU	OU	IQQ	JUN	82	FD	RD
IQQ	MAR	74	CV	OV	IQQ	JUN	83	FE	RE
IQQ	MAR	75	CW	OW	IQQ	JUN	84	FF	RF
IQQ	MAR	76	CX	OX	IQQ	JUN	85	FG	RG
IQQ	MAR	77	CY	OY					
IQQ	MAR	78	CZ	OZ	IQQ	SEP	68	IP	UP
IQQ	MAR	79	CA	OA	IQQ	SEP	69	IQ	UQ
IQQ	MAR	80	CB	OB	IQQ	SEP	70	IR	UR
IQQ	MAR	81	CC	OC	IQQ	SEP	71	IS	US
IQQ	MAR	82	CD	OD	IQQ	SEP	72	IT	UT
IQQ	MAR	83	CE	OE	IQQ	SEP	73	IU	UU
IQQ	MAR	84	CF	OF	IQQ	SEP	74	IV	UV
IQQ	MAR	85	CG	OG	IQQ	SEP	75	IW	UW
					IQQ	SEP	76	IX	UX
IQQ	JUN	60	FH	RH	IQQ	SEP	77	IY	UY
IQQ	JUN	61	FI	RI	IQQ	SEP	78	IZ	UZ
IQQ	JUN	62	FJ	RJ	IQQ	SEP	79	IA	UA
IQQ	JUN	63	FK	RK	IQQ	SEP	80	IB	UB
IQQ	JUN	64	FL	RL	IQQ	SEP	81	IC	UC
IQQ	JUN	65	FM	RM	IQQ	SEP	82	ID	UD
IQQ	JUN	66	FN	RN	IQQ	SEP	83	IE	UE
IQQ	JUN	67	FO	RO	IQQ	SEP	84	IF	UF
IQQ	JUN	68	FP	RP	IQQ	SEP	85	IG	UG

iShares Russell 2000 Index Fund (IQQ/IWM)
(Beginning 2/21/2007)

			Calls	Puts
IQQ	DEC	60	LH	XH
IQQ	DEC	61	LI	XI
IQQ	DEC	62	LJ	XJ
IQQ	DEC	63	LK	XK
IQQ	DEC	64	LL	XL
IQQ	DEC	65	LM	XM
IQQ	DEC	66	LN	XN
IQQ	DEC	67	LO	XO
IQQ	DEC	68	LP	XP
IQQ	DEC	69	LQ	XQ
IQQ	DEC	70	LR	XR
IQQ	DEC	71	LS	XS
IQQ	DEC	72	LT	XT
IQQ	DEC	73	LU	XU
IQQ	DEC	74	LV	XV
IQQ	DEC	75	LW	XW
IQQ	DEC	76	LX	XX
IQQ	DEC	77	LY	XY
IQQ	DEC	78	LZ	XZ
IQQ	DEC	79	LA	XA
IQQ	DEC	80	LB	XB
IQQ	DEC	81	LC	XC
IQQ	DEC	82	LD	XD
IQQ	DEC	83	LE	XE
IQQ	DEC	84	LF	XF
IQQ	DEC	85	LG	XG

iShares Russell 2000 Index Fund (YNL) - 2008 Leaps
(Beginning 2/21/2007)

			Calls	Puts
YNL	DEC	72	LT	XT
YNL	DEC	73	LU	XU
YNL	DEC	74	LV	XV
YNL	DEC	75	LW	XW
YNL	DEC	76	LX	XX
YNL	DEC	77	LY	XY
YNL	DEC	78	LZ	XZ
YNL	DEC	79	LA	XA
YNL	DEC	80	LB	XB
YNL	DEC	81	LC	XC
YNL	DEC	82	LD	XD
YNL	DEC	83	LE	XE
YNL	DEC	84	LF	XF
YNL	DEC	85	LG	XG

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