

MEMORANDUM

To: All Options Members, Member Organizations and ROTs.

From: Market Watch

Date: February 23, 2007

Re: Varian Semi Equip. Assc (VSEA/UES)  
2008/2009 LEAPS TO BEGIN TRADING ON FEBRUARY 26, 2007

Please be advised that the Philadelphia Stock Exchange (PHLX) will begin listing LEAPS on the following issue effective Monday, February 26, 2007:

Name: Varian Semi Equip. Assc (VSEA/UES)

LEAP Symbol(s): KAP - 2008  
XD - 2009

P/E Limit: 250000 contracts

Specialist Unit: Timber Hill Inc.

Below find the 2008/2009 LEAPs call and put option strike prices and codes which will be available for trading on Monday, February 26, 2007:

Varian Semi Equip. Assc (UES/KAP/XD)

				<u>Calls</u>	<u>Puts</u>
KAP/XD	JAN	40		AH	MH
KAP/XD	JAN	45		AI	MI
KAP/XD	JAN	50		AJ	MJ
KAP/XD	JAN	55		AK	MK
KAP/XD	JAN	60		AL	ML

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or Options Services Department at (215) 496-1266.