

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: July 31, 2007
 Re: **New Options Listing: Discover Financial Services (DFS)**

The Philadelphia Stock Exchange (PHLX) will begin trading options on Discover Financial Services (DFS) effective Wednesday, August 1, 2007.

Specialist Unit: Citigroup Derivatives Markets Inc.
Position/Exercise Limit: 250,000 contracts
Expiration Cycle January
Option Symbol & Cusip No.: DFS: 254 709 108

Discover Financial Services (DFS)
 (Beginning 8/1/2007)

			Calls	Puts				Calls	Puts
DFS	AUG	15	HC	TC	DFS	SEP	20	ID	UD
DFS	AUG	20	HD	TD	DFS	SEP	22 1/2	IX	UX
DFS	AUG	22 1/2	HX	TX	DFS	SEP	25	IE	UE
DFS	AUG	25	HE	TE	DFS	SEP	30	IF	UF
DFS	AUG	30	HF	TF					
DFS	AUG	35	HG	TG					
DFS	AUG	40	HH	TH					
DFS	AUG	45	HI	TI					
DFS	OCT	15	JC	VC	DFS	JAN	15	AC	MC
DFS	OCT	20	JD	VD	DFS	JAN	20	AD	MD
DFS	OCT	22 1/2	JX	VX	DFS	JAN	22 1/2	AX	MX
DFS	OCT	25	JE	VE	DFS	JAN	25	AE	ME
DFS	OCT	30	JF	VF	DFS	JAN	30	AF	MF
DFS	OCT	35	JG	VG	DFS	JAN	35	AG	MG
DFS	OCT	40	JH	VH	DFS	JAN	40	AH	MH
DFS	OCT	45	JI	VI	DFS	JAN	45	AI	MI

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