

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: June 1, 2007

Re: Epiq Systems, Inc. (EPIQ/FQU) - 3 for 2 Stock Split

Epiq Systems, Inc. (FQU/EPIQ) has declared a 3 for 2 stock split payable to shareholders of record on Thursday, May 24, 2007. Distribution date for the stock split will be Thursday, June 7, 2007. **Ex-distribution date for the stock split will be Friday, June 8, 2007.**

Accordingly, pursuant to OCC By-Laws, all FQU options on the ex-distribution date must be adjusted as follows:

1. The number of underlying shares represented by each option contract will be increased to 150 shares.
2. The strike price of each outstanding option series will be reduced proportionately and rounded to the nearest eighth of a point.

The effect of these adjustments on all outstanding FQU options will be to change the symbol(s) to FUI, increase the number of underlying shares represented by each contract to 150, and to reduce the strike price for each series proportionately. The Exchange has further determined that new FQU option contracts, representing 100 shares of EPIQ, will start trading on Monday, June 11, 2007. The PHLX has established that effective on the ex-distribution date, and until January 19, 2008 expiration, the position and exercise limits shall be any combination of FQU and FUI options not to exceed 3,750,000 shares of EPIQ. Following January 19, 2008 expiration, the position and exercise limit will return to the established limit of 25,000 contracts. Therefore, commencing Friday, June 8, 2007, the current FQU strike prices will be adjusted and identified by the symbol FUI.

The resulting list of adjusted strike prices and symbols is as shown on the following pages:

Epiq Systems, Inc. (EPIQ/FQU)					Epiq Systems, Inc. (EPIQ/FUI)				
(Before 6/8/2007)					(Beginning 6/8/2007)				
(100 shrs EPIQ)					(150 shrs EPIQ)				
			Calls	Puts			Calls	Puts	
FQU	JUN	20	FD	RD	FUI	JUN	13 3/8	FW	RW
FQU	JUN	22 1/2	FX	RX	FUI	JUN	15	FC	RC
FQU	JUN	25	FE	RE	FUI	JUN	16 5/8	FX	RX
FQU	JUN	30	FF	RF	FUI	JUN	20	FD	RD
FQU	JUL	12 1/2	GV	SV	FUI	JUL	8 3/8	GU	SU
FQU	JUL	15	GC	SC	FUI	JUL	10	GB	SB
FQU	JUL	17 1/2	GW	SW	FUI	JUL	11 5/8	GV	SV
FQU	JUL	20	GD	SD	FUI	JUL	13 3/8	GW	SW
FQU	JUL	22 1/2	GX	SX	FUI	JUL	15	GC	SC
FQU	JUL	25	GE	SE	FUI	JUL	16 5/8	GX	SX
FQU	JUL	30	GF	SF	FUI	JUL	20	GD	SD
FQU	OCT	15	JC	VC	FUI	OCT	10	JB	VB
FQU	OCT	17 1/2	JW	VW	FUI	OCT	11 5/8	JV	VV
FQU	OCT	20	JD	VD	FUI	OCT	13 3/8	JW	VW
FQU	OCT	22 1/2	JX	VX	FUI	OCT	15	JC	VC
FQU	OCT	25	JE	VE	FUI	OCT	16 5/8	JX	VX
FQU	OCT	30	JF	VF	FUI	OCT	20	JD	VD

Epiq Systems, Inc. (EPIQ/FQU)					Epiq Systems, Inc. (EPIQ/FUI)				
(Before 6/8/2007)					(Beginning 6/8/2007)				
(100 shrs EPIQ)					(150 shrs EPIQ)				
			Calls	Puts				Calls	Puts
FQU	JAN	20	AD	MD	FUI	JAN	13 3/8	AW	MW
FQU	JAN	22 1/2	AX	MX	FUI	JAN	15	AC	MC
FQU	JAN	25	AE	ME	FUI	JAN	16 5/8	AX	MX
FQU	JAN	30	AF	MF	FUI	JAN	20	AD	MD

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

The new FQU option contracts representing 100 shares of EPIQ, will be admitted to trading on Monday, June 11, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

The bids and offers for listed options are usually expressed in price per share of the underlying security. If the unit of trading is 100 shares, a bid of 2 would indicate a dollar premium of \$200.00 per contract. If, however, the unit of trading is 150, a bid of 2 would indicate a dollar premium of \$300.00.

Brokers must advise their customers of this fact in connection with the adjusted FUI options. Brokers are cautioned to be certain that customers entering closing transactions make the proper description of the options. Failure to do this could result in closing out an existing position in the adjusted series. Customers should also be advised that if they are 'covered writers', they must retain and not liquidate the additional shares of EPIQ if they are to remain fully covered. Customers initiating opening writing positions in EPIQ on or after Friday, June 8, 2007 must own 150 shares of EPIQ common stock for each contract held in order to be fully covered. Commencing or June 11, 2007 and thereafter, customers purchasing 100 shares of EPIQ and selling one option should be certain to sell 'NEW' contracts to avoid being uncovered writers.

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

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.