

Memo No.: 626-07

MEMORANDUM

TO: ALL EQUITY OPTIONS FLOOR MEMBERS FIRMS
FROM: WILLIAM C. TERRELL
DATE: MARCH 14, 2007
SUBJECT: NEW TRADING STRATEGY INDICATORS

In order to automate and streamline the billing process in connection with executing dividend, merger and short stock interest strategies, the Exchange has determined that information indicating the type of transaction(s) be input into the trading system at the time of trade entry.

In order to accomplish this, members executing dividend , merger and short stock interest strategies will be required to designate the type of strategy for each trade by entering the appropriate designator in the ID field on the trade ticket(s) as follows:

Z1 – Dividend Strategies
Z2 – Short Stock Interest Strategies
Z3 – Merger Strategies

The Exchange has ordered and will distribute ROT order tickets with the new designators imprinted on them. In order to receive proper credit, members will be required to circle the appropriate designator for input into the trading system at the time of trade entry.

At this time, members must continue to submit to the Accounting Department dividend, merger and short stock interest strategies rebate request forms, which are due three business days following the end of the previous month. You will be notified in a separate memorandum when this process becomes fully automated.

If you should have any questions concerning the above, please call Bill Briggs at extension 5199 or me at extension 5205.