

MEMORANDUM

To: All Options Members, Member Organizations and ROTs.
From: Market Watch
Date: March 22, 2007
Re: iShares NASDAQ Biotech Index (IBB)
2008/2009 LEAPS TO BEGIN TRADING ON MARCH 23, 2007

Please be advised that the Philadelphia Stock Exchange (PHLX) will begin listing LEAPS on the following issue effective Friday, March 23, 2007:

Name: iShares NASDAQ Biotech Index (IBB)

LEAP Symbol(s): KDG - 2008
XEF - 2009

P/E Limit: 250000 contracts

Specialist Unit: Citadel Derivatives Trading Group LLC

Below find the 2008/2009 LEAPs call and put option strike prices and codes which will be available for trading on Friday, March 23, 2007:

iShares NASDAQ Biotech Index (IBB/KDG/XEF)

				<u>Calls</u>	<u>Puts</u>
KDG/XEF	JAN	70		AN	MN
KDG/XEF	JAN	75		AO	MO
KDG/XEF	JAN	80		AP	MP
KDG/XEF	JAN	85		AQ	MQ

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.