



Memo # 2446-07

MEMORANDUM

TO: Members and Member Organizations

FROM: William N. Briggs, Executive Vice President – Administration,
Finance & Business Development

DATE: October 3, 2007

RE: Options Specialist Shortfall Fee –December 2007

As previously announced in memorandum no. 2000-130 dated August 24, 2000, the options specialists shortfall transaction fee became effective on August 1, 2000. Modifications to the fee were announced in memorandum no. 2001-2255-01 dated December 19, 2001. This fee of \$0.35 per contract is paid by the specialist trading any Top 120 Option if at least 12% (effective July 1, 2003) of the total national monthly contract volume for such Top 120 Option is not effected on the PHLX in that month.

Attached is a list of the Top 120 Options for the December 2007 billing.

The Exchange believes it is necessary to continue to attract order flow to the Exchange in order to remain competitive. This fee should encourage specialists to compete for order flow, which not only enhances the specialist's role, but also provides additional revenue to the Exchange. For questions regarding the billing and collection of this fee, please contact Joseph Jennings at (215)-496-1467.

**TOP 120 Multiply-Listed Options
For Charges in December 2007
(Comparative Volume, September 2007)**

#	Symbol	Company
1	QQQQ	PowerShares QQQ Trust
2	IWM	iShares Russell 2000 Index Fund
3	SPY	SPDR Trust Series 1
4	AAPL	Apple Inc.
5	GE	General Electric Company
6	XLF	S&P Financial Select Sector SPDR
7	GM	General Motors Corporation
8	RIMM	Research in Motion Ltd.
9	RIO	Companhia Vale do Rio Doce
10	CFC	Countrywide Financial Corporation
11	C	Citigroup, Inc.
12	MO	Altria Group Inc.
13	GOOG	Google, Inc.
14	DIA	DIAMONDS Trust Series I
15	GS	Goldman Sachs Group, Inc.
16	HD	Home Depot, Inc.
17	XLE	S&P Energy Select Sector SPDR
18	YHOO	Yahoo!, Inc.
19	INTC	Intel Corporation
20	OIH	Oil Services HOLDERS
21	EMC	EMC Corporation
22	LEH	Lehman Brothers Holdings Inc
23	FCX	Freeport-McMoRan Cooper & Gold, Inc.
24	QCOM	QUALCOMM, Inc.
25	MSFT	Microsoft Corporation
26	WMT	Wal-Mart Stores, Inc.
27	BAC	Bank of America Corporation
28	SLM	SLM Corporation
29	NEM	Newmont Mining Corp.
30	EEM	iShares MSCI Emerging Markets Index
31	BSC	Bear Stearns Companies Inc
32	BIDU	Baidu.com, Inc.
33	CSCO	Cisco Systems, Inc.
34	AMZN	Amazon.com, Inc.
35	AMGN	Amgen, Inc.
36	PFE	Pfizer, Inc.
37	NYX	NYSE Euronext
38	BMJ	Bristol-Meyers Squibb Company
39	JPM	JP Morgan Chase & Co.
40	AA	Alcoa Inc
41	LVL	Level 3 Communications, Inc.
42	DNDN	Dendreon Corporation
43	AMD	Advanced Micro Devices, Inc.
44	GG	Goldcorp, Inc.
45	XOM	Exxon Mobil Corporation

46	MER	Merrill Lynch & Co., Inc.
47	F	Ford Motor Company
48	VLO	Valero Energy Corporation
49	SNDK	SanDisk Corporation
50	TGT	Target Corporation
51	ORCL	Oracle Corporation
52	COP	ConocoPhillips
53	BBY	Best Buy Company Inc
54	MOT	Motorola, Inc.
55	SHLD	Sears Holdings Corporation
56	EBAY	eBay, Inc.
57	EP	El Paso Corporation
58	KO	Coca-Cola Company, The
59	WM	Washington Mutual Inc
60	MEDX	Medarex, Inc.
61	HAL	Halliburton Co
62	XLB	S&P Materials Select Sector SPDR
63	CROX	Crocs, Inc.
64	SMH	Semiconductor HOLDERS
65	HPQ	Hewlett-Packard Company
66	DELL	Dell Inc.
67	MA	MasterCard, Inc.
68	AKS	AK Steel Holding Corporation
69	AMR	AMR Corporation
70	FXI	iShares FTSE/Xinhua China 25 Index Fund
71	WB	Wachovia Corp.
72	IBM	International Business Machines Corporation
73	SIRI	Sirius Satellite Radio, Inc.
74	T	AT&T, Inc
75	LVS	Las Vegas Sands Corp.
76	ABX	Barrick Gold Corporation
77	RTH	Retail HOLDERS Trust
78	GRMN	Garmin Ltd.
79	MS	Morgan Stanley
80	RMBS	Rambus, Inc.
81	SLB	Schlumberger Ltd.
82	XMSR	XM Satellite Radio Holdings, Inc.
83	IMB	Indymac Bancorp Inc.
84	MDY	MidCap SPDR
85	EWZ	iShares MSCI Brazil
86	CVS	CVS/Caremark Corp
87	JAVA	Sun Microsystems
88	LOW	Lowe's Companies, Inc.
89	TXN	Texas Instruments, Inc.
90	CAT	Caterpillar Inc
91	NVDA	NVIDIA Corporation
92	AIG	American International Group
93	DNA	Genentech, Inc.
94	XHB	Street Tracks SPDR Homebuilders ETF
95	CELG	Celgene Corp

96	NFI	Novastar Financial, Inc.
97	FMCN	Focus Media Holding Limited – ADR
98	KBH	KB HOME Lehman iShares 20+ Year Treasury Bond
99	TLT	Fund
100	SBUX	Starbucks Corporation
101	AXP	American Express Company
102	JNJ	Johnson & Johnson
103	MCD	McDonald's Corporation
104	GLW	Corning Inc
105	ADBE	Adobe Systems, Inc.
106	WFC	Wells Fargo Company
107	ETFC	E*TRADE Financial Corporation
108	HOV	Hovnanian Enterprises, Inc.
109	KFT	Kraft Foods Inc.
110	ELN	Elan Corporation PLC
111	CMCSA	Comcast Corp (Cl A Com)
112	BRCM	Broadcom Corporation
113	S	Sprint Nextel Corporation
114	CVX	Chevron Corporation
115	MIR	Mirant Corporation
116	NMX	Nymex Holdings, Inc.
117	WYE	Wyeth
118	BHP	BHP Billiton Ltd.
119	ICE	IntercontinentalExchange, Inc
120	WYNN	Wynn Resorts Limited