

MEMORANDUM

TO: Options Floor Members and Member Organizations
FROM: William C. Terrell
DATE: October 12, 2007
RE: Change to manual price check Parameter

Effective on Monday, October 15, 2007, the Exchange will change the table defining the values for the price check used for all manual trades entered through the Floor Broker Management System (FBMS) and Data Entry terminals (DET).

Currently, the system uses the midpoint of the existing PBBO plus or minus the table values. For all decimal MPV's the values are currently set as follows:

Low - high, range (+/-)
0.00 - 1.00, 0.35
1.01 - 5.00, 0.60
5.01 - 10.00, 0.75
10.01 + , 1.00

The new range setting will be 2.50 for all options (effectively setting the price check \$5 wide at the mid-point of the PBBO +/- 2.50).

Trades entered outside the new parameter will be rejected by the system.

If you should have any questions concerning the above, please call the System Support Group at 215-496-1571.