



THE OPTIONS CLEARING CORPORATION

#23988

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DATE: DECEMBER 28, 2007

**SUBJECT: ACCELERATED EXPIRATION OF EQUITY CASH PRODUCTS -
REMINDER**

The Securities and Exchange Commission (SEC) approved the amendment of The Options Clearing Corporation (OCC) Rule 807 to provide for acceleration of the expiration date when a stock option contract is adjusted for a merger in which the underlying security is converted into a right to receive a fixed amount of cash. Previously, Rule 807 only applied to European style options and has been expanded to include American style options. The effective date for this change is January 2, 2008.

All stock options that convert to 100% cash will be subject to early expiration. On the accelerated expiration date, these contracts will be subject to the Ex-by-Ex threshold of .01.

Both standard and FLEX equity options will be accelerated to the nearest standard equity/index expiration date. If an equity option deliverable is converted to cash by the Tuesday of expiration week, OCC will accelerate the expiration date to the current standard expiration. However, if the option deliverable is converted to cash after Tuesday of expiration week, OCC will NOT accelerate the expiration. In this situation, the expiring contract for the current expiration month will expire as normal. All future months will be accelerated to the standard expiration the following month. For example, on Expiration Friday (January 18, 2008), the option deliverable for symbol ABC is converted to 100% cash. All January options for symbol ABC will expire as normal during the January expiration. All future expiration months for symbol ABC will expire during the February 2008 expiration.

For questions regarding this memo, call 1-888-OPTIONS or email options@theocc.com.