

OPTIONS EXCHANGE

Market Information Circular

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| Date: | August 17, 2010 | Telephone: | 877-473-9989 |

Subject: Step Up and Match Crossing Order Functionality

The Purpose of this MIC (Market Information Circular) is to inform members that on August 23, 2010, ISE will implement Step-Up functionality for single-leg PIMs as well as single and multi-leg Facilitation orders.

The Step-Up price is a maximum price beyond the initiating crossing price at which the originating firm of the cross agrees to trade. If responses are received during the auction that improve upon the initiating crossing price, the Step-Up price provides an increased price improvement opportunity for the agency order by permitting the contra to further participate in the cross by auto matching price and size of other responses.

The Step Up price is:

- Indicated upon order entry
- A limit or market price
- Not displayed to market participants
- Valid ticks are:
 - Half-ticks for single leg Facilitation orders
 - Penny increments for Facilitation Spread and PIM orders

'Step Up and Match' crossing orders can be submitted via PreISe, FIX, and API applications.

PreISe users must install version 4.1.1 to take advantage of this functionality. A new 'Contra Step Up' section is displayed on the Facilitation, Spread Facilitation, Spread With Stock Facilitation, and PIM order tickets.

If you have any questions, please contact ISE Market Operations at 877-473-9989 or email helpdesk@ise.com.