

## **BOARD APPROVES EURODOLLAR OPTIONS MARKET MAKER CLEARING FEE REDUCTION**

At its Regular Meeting on Tuesday, June 3, 2003, the Board of Directors approved a proposal to modify the existing tiered fee structure for Eurodollar options. The modification will reduce incremental exchange fees for option market makers who meet designated volume thresholds.

The benefit would be calculated by reducing clearing fees by an additional \$.02/contract for all volume in excess of 20,000 contracts per account per day for eligible participants. To be eligible for the rebate, individual accounts would have to average 20,000 contracts per day in monthly average daily option volume, i.e. total monthly volume (Eurodollar and Mid-curve options combined) divided by the number of trading days in the month would have to be equal to or greater than 20,000.

- No account aggregation would be allowed for the purposes of this program
- Administration: Eligible accounts will be designated as market makers in the Membership database prior to each month over the course of the program. The fee reduction will be applied to these designated accounts by the Exchange Fee System on a daily basis for volume in excess of 20,000 contracts. At month end, the accounts' activity will be reviewed and fees for accounts which did not meet the program volume thresholds will be adjusted to eliminate the \$.02 reduction to affected trades.
- The program would expire at year end 2003.

If you have any questions, please contact Mr. Peter Barker, Director, Interest Rate Products, at (312) 930-8554