



BOX
BOSTON OPTIONS EXCHANGE

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BOX PROMOTES LIQUIDITY IN MOST LIQUID NAMES
Additional Tiers for Make or Take Pricing to Reflect Cost & Liquidity Formation

BOSTON, June 2, 2008 – The Boston Options Exchange (BOX) announced today the creation of a tiered structure for make or take pricing in the three most liquid penny names (QQQQ, SPY, IWM). The change lowers rates to \$.15/\$.30 for market makers and \$.10/\$.30 for non-market makers. The current rate on all BOX make or take names is \$.30/\$.45 for market makers and \$.25/\$.45 for non-market makers.

“We expect the new tiered pricing structure will better approximate the cost of providing liquidity in these highly liquid names and will help to diminish some of the inefficiencies market participants may be facing across exchanges,” said Scott Morris, chief executive officer (CEO) of BOX. “BOX is once again taking a leadership role in this effort to reflect the real cost of providing liquidity and to also promote liquidity formation.”

One of the tenets of make or take pricing is to promote liquidity formation by compensating liquidity providers for this implicit cost. However, this cost is not uniform across all option instruments. It is the greatest for the least liquid option classes and smallest for the most liquid option classes.

“If successful in our goal of reflecting the real costs, we will consider introducing additional tiers to continue to better match the costs and promote liquidity,” continued Morris.

The Boston Options Exchange Group, LLC (BOX) was established in February 2002 by Boston Stock Exchange, Inc. (BSE), the Montréal Exchange and Interactive Brokers Group LLC. BOX’s equity partners are among the most important options firms in the US: Citigroup, Credit Suisse First Boston, Interactive Brokers, JP Morgan, Morgan Stanley, UBS and Citadel Derivatives Group LLC. BOX is an all-electronic equity derivatives market and was created as an alternative to the existing market models. BOX launched trading in February 2004. For more information, see the BOX website: www.bostonoptions.com.

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