

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, C. S.5, AS AMENDED**

- AND -

IN THE MATTER OF OPTIONSXPRESS, INC.

**NOTICE OF HEARING
(Section 127)**

TAKE NOTICE that the Ontario Securities Commission (the AOSC@) will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the AAct@), at the offices of the OSC located at 20 Queen St. West, Toronto, Ontario, in the Large Hearing Room, 17th Floor, on August 31, 2005 at 3:30 p.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing will be for the OSC to consider whether to approve the proposed settlement of the proceeding pursuant to an agreement among staff of the OSC (“Staff”), staff of certain other provincial securities regulators, the Autorité des marchés financiers in Quebec, the respondent optionsXpress, Inc., and its affiliate optionsXpress Canada Corp./Corporation optionsXpress Canada pursuant to section 127 of the Act, which approval will be sought by Staff and the respondent;

AND TAKE NOTICE that the hearing will be held jointly with the Alberta Securities Commission, the Manitoba Securities Commission, the Bureau de décision et de révision en valeurs mobilières, the Nova Scotia Securities Commission and the New

Brunswick Securities Commission in accordance with Rule 8 of the OSC's Rules of Practice.

BY REASON OF the allegations set out in the Statement of Allegations of Staff and such additional allegations as counsel may advise and the OSC may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 17th day of August, 2005.

"Daisy Aranha"
per: John Stevenson
A/Secretary to the OSC

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