



SERIES ADJUSTMENT 1309-08

July 07, 2008

SAFECO CORP (SAF) Pending Merger Cash Settlement

On Tuesday, July 29, 2008, the shareholders of Safeco Corp (SAF) will vote to approve the proposed merger. If the merger is approved and consummated, each existing SAF Common Share will be converted into the right to receive \$68.25 cash.

**The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the Offer terms and conditions.

Pending Contract Adjustments

Pursuant to Options Clearing Corporation ("OCC") by-laws, all outstanding SAFECO CORP options will be adjusted as follows:

Adjustment Date:	Effective the opening of the business day after the merger is consummated
New Deliverable/Contract:	1) \$6,825.00 cash per contract (\$68.25 x 100)

Since SAF options are American Style, SAF open interest will remain until exercise or expiration.

Questions regarding this release may be directed to Listings Administration at 1-800-THE-PHLX, choice #2, or (215) 496-1508.