

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings Administration

Date: March 6, 2008

Re: CytRx Corporation (QEY/CYTR) - Stock Distribution

CytRx Corporation (QEY/CYTR) has declared a distribution of Common Stock of RXi Pharmaceuticals Corporation (RXII) to CYTR shareholders of record, March 6, 2008. Distribution date will be on or about Tuesday, March 11, 2008. **NASDAQ has set the ex-distribution date as March 7, 2008.** The distribution will be .049885412 shares of RXi Pharmaceuticals Corporation per share of CytRx Corporation held.

Accordingly, pursuant to OCC By-Laws, all QEY options on the ex-distribution date must be adjusted as follows:

Adjustment Date: **Effective Friday, March 7, 2008.**
 Symbol(s): **QEY becomes CIH**
 Strike Price: Unchanged
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)
 New Deliverable: **1) 100 Shares of CytRx Corporation (CYTR)**
2) 4 Shares of RXi Pharmaceuticals Corporation (RXII)
3) Cash in lieu of .9885412 fractional RXII shares

GOOD-TILL-CANCELLED (GTC) ORDERS

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

| CytRx Corporation (CYTR/QEY) (Before 3/7/2008) (100 shrs CYTR) | | | | | CytRx Corporation (CYTR/CIH) (Beginning 3/7/2008) (See new deliverable above) | | | | |
|--|-----|-------|-------|------|---|-----|-------|-------|------|
| | | | Calls | Puts | | | | Calls | Puts |
| QEY | MAR | 2 1/2 | CZ | OZ | CIH | MAR | 2 1/2 | CZ | OZ |
| QEY | MAR | 5 | CA | OA | CIH | MAR | 5 | CA | OA |
| QEY | MAR | 7 1/2 | CU | OU | CIH | MAR | 7 1/2 | CU | OU |
| QEY | JUN | 2 1/2 | FZ | RZ | CIH | JUN | 2 1/2 | FZ | RZ |
| QEY | JUN | 5 | FA | RA | CIH | JUN | 5 | FA | RA |
| QEY | JUN | 7 1/2 | FU | RU | CIH | JUN | 7 1/2 | FU | RU |

Any additional QEY series that are added prior to the ex-date will also be adjusted in the manner described above.

Questions regarding this release may be directed to Listings Administration at 1-800-THE-PHLX, choice #2, or (215) 496-5380.