

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
From: Listings Administration
Date: February 20, 2008
Subject: Kellwood Company (KWD) Merger **EFFECTIVE**

On Friday, February 15, 2008, the subsequent offering period by Cardinal Integrated, LLC to purchase all outstanding shares of Kellwood Company (KWD) expired. Pursuant to the merger terms each KWD share will be converted into the right to receive 21.00 cash. **The merger became effective prior to the opening of business on Wednesday, February 20, 2008.**

***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 merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding KWD options will be adjusted as follows:

EFFECTIVE DATE: Wednesday, February 20, 2008
NEW DELIVERABLE: \$2,100.00 cash per contract (\$21.00 x 100)

Existing open interest in all KWD options will remain until options are exercised or they will be subject to the OCC's accelerated exercise of options at next month's expiration. (See OCC Memo #23707)

Questions regarding this release may be directed to Listings Administration at 1-800-THE-PHLX, choice #2, or (215) 496-53