

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: January 22, 2008
 Re: **Medco Health Solutions, Inc. (MHS) - 2 for 1 Stock Split**

Medco Health Solutions, Inc. (MHS) has declared a 2 for 1 stock split payable to share holders of record on Thursday, January 10, 2008. Distribution date for the stock split will be Thursday, January 24, 2008. **Ex-distribution date for the stock split will be Friday, January 25, 2008.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional MHS option contract for each option contract held. Further, on the ex-distribution date each MHS series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each MHS series existing on the business day preceding the ex-distribution date. For example, beginning on Friday, January 25, 2008 an account holding (2) MHS FEB 80 calls (MHS BP) will hold (4) MHS FEB 40 calls (MHS BH). Customers should be advised that (1) contract in the adjusted MHS series will still represent 100 shares of MHS common shares.

POSITION/EXERCISE LIMITS:

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 16, 2010

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.

The resulting list of adjusted strike prices and symbols is as follows:

Medco Health Solutions, Inc. (MHS) (Before 1/25/2008) (1 Contract)					Medco Health Solutions, Inc. (MHS) (Beginning 1/25/2008) (2 Contracts)				
			Calls	Puts				Calls	Puts
MHS	FEB	80	BP	NP	MHS	FEB	40	BH	NH
MHS	FEB	85	BQ	NQ	MHS	FEB	42 1/2	BV	NV
MHS	FEB	90	BR	NR	MHS	FEB	45	BI	NI
MHS	FEB	95	BS	NS	MHS	FEB	47 1/2	BW	NW
MHS	FEB	100	BT	NT	MHS	FEB	50	BJ	NJ
MHS	FEB	105	BA	NA	MHS	FEB	52 1/2	BX	NX
MHS	FEB	110	BB	NB	MHS	FEB	55	BK	NK
MHS	FEB	115	BC	NC	MHS	FEB	57 1/2	BY	NY
MHS	FEB	120	BD	ND	MHS	FEB	60	BL	NL
MHS	MAR	80	CP	OP	MHS	MAR	40	CH	OH
MHS	MAR	85	CQ	OQ	MHS	MAR	42 1/2	CV	OV
MHS	MAR	90	CR	OR	MHS	MAR	45	CI	OI
MHS	MAR	95	CS	OS	MHS	MAR	47 1/2	CW	OW
MHS	MAR	100	CT	OT	MHS	MAR	50	CJ	OJ
MHS	MAR	105	CA	OA	MHS	MAR	52 1/2	CX	OX
MHS	MAR	110	CB	OB	MHS	MAR	55	CK	OK
MHS	MAR	115	CC	OC	MHS	MAR	57 1/2	CY	OY
MHS	MAR	120	CD	OD	MHS	MAR	60	CL	OL
MHS	APR	60	DL	PL	MHS	APR	30	DF	PF
MHS	APR	65	DM	PM	MHS	APR	32 1/2	DS	PS
MHS	APR	70	DN	PN	MHS	APR	35	DG	PG
MHS	APR	75	DO	PO	MHS	APR	37 1/2	DT	PT
MHS	APR	80	DP	PP	MHS	APR	40	DH	PH
MHS	APR	85	DQ	PQ	MHS	APR	42 1/2	DV	PV

Medco Health Solutions, Inc. (MHS)
(Before 1/25/2008)
(1 Contract)

			Calls	Puts
MHS	APR	90	DR	PR
MHS	APR	95	DS	PS
MHS	APR	100	DT	PT
MHS	APR	105	DA	PA
MHS	APR	110	DB	PB
MHS	APR	115	DC	PC
MHS	APR	120	DD	PD
MHS	APR	125	DE	PE
MHS	JUL	80	GP	SP
MHS	JUL	85	GQ	SQ
MHS	JUL	90	GR	SR
MHS	JUL	95	GS	SS
MHS	JUL	100	GT	ST
MHS	JUL	105	GA	SA
MHS	JUL	110	GB	SB
MHS	JUL	115	GC	SC
MHS	JUL	120	GD	SD
MHS	JUL	125	GE	SE
MHS	JUL	130	GY	SY
MHS	JUL	135	GV	SV
MHS	JUL	140	GZ	SZ

Medco Health Solutions, Inc. (MHS)
(Beginning 1/25/2008)
(2 Contracts)

			Calls	Puts
MHS	APR	45	DI	PI
MHS	APR	47 1/2	DW	PW
MHS	APR	50	DJ	PJ
MHS	APR	52 1/2	DX	PX
MHS	APR	55	DK	PK
MHS	APR	57 1/2	DY	PY
MHS	APR	60	DL	PL
MHS	APR	62 1/2	DZ	PZ
MHS	JUL	40	GH	SH
MHS	JUL	42 1/2	GV	SV
MHS	JUL	45	GI	SI
MHS	JUL	47 1/2	GW	SW
MHS	JUL	50	GJ	SJ
MHS	JUL	52 1/2	GX	SX
MHS	JUL	55	GK	SK
MHS	JUL	57 1/2	GY	SY
MHS	JUL	60	GL	SL
MHS	JUL	62 1/2	GZ	SZ
MHS	JUL	65	GM	SM
MHS	JUL	67 1/2	GU	SU
MHS	JUL	70	GN	SN

Medco Health Solutions, Inc. - 2009 Leap (VQM)
(Before 1/25/2008)
(1 Contract)

			Calls	Put
VQM	JAN	30	AF	MF
VQM	JAN	40	AH	MH
VQM	JAN	50	AJ	MJ
VQM	JAN	60	AL	ML
VQM	JAN	70	AN	MN
VQM	JAN	80	AP	MP
VQM	JAN	90	AR	MR
VQM	JAN	100	AT	MT
VQM	JAN	110	AB	MB
VQM	JAN	120	AD	MD
VQM	JAN	130	AY	MY
VQM	JAN	140	AZ	MZ

Medco Health Solutions, Inc. - 2009 Leap (VQM)
(Beginning 1/25/2008)
(2 Contracts)

			Calls	Put
VQM	JAN	15	AC	MC
VQM	JAN	20	AD	MD
VQM	JAN	25	AE	ME
VQM	JAN	30	AF	MF
VQM	JAN	35	AG	MG
VQM	JAN	40	AH	MH
VQM	JAN	45	AI	MI
VQM	JAN	50	AJ	MJ
VQM	JAN	55	AK	MK
VQM	JAN	60	AL	ML
VQM	JAN	65	AM	MM
VQM	JAN	70	AN	MN

Medco Health Solutions, Inc. - 2010 Leap (YXM)
(Before 1/25/2008)
(1 Contract)

			Calls	Put
YXM	JAN	60	AL	ML
YXM	JAN	65	AM	MM
YXM	JAN	70	AN	MN
YXM	JAN	80	AP	MP
YXM	JAN	90	AR	MR
YXM	JAN	100	AT	MT
YXM	JAN	110	AB	MB
YXM	JAN	120	AD	MD
YXM	JAN	130	AY	MY
YXM	JAN	140	AZ	MZ
YXM	JAN	150	AJ	MJ

Medco Health Solutions, Inc. - 2010 Leap (YXM)
(Beginning 1/25/2008)
(2 Contracts)

			Calls	Put
YXM	JAN	30	AF	MF
YXM	JAN	32 1/2	AS	MS
YXM	JAN	35	AG	MG
YXM	JAN	40	AH	MH
YXM	JAN	45	AI	MI
YXM	JAN	50	AJ	MJ
YXM	JAN	55	AK	MK
YXM	JAN	60	AL	ML
YXM	JAN	65	AM	MM
YXM	JAN	70	AN	MN
YXM	JAN	75	AO	MO

Any additional MHS 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 Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.