

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: April 3, 2007

Re: Cummins, Inc. (CMI) - 2 for 1 Stock Split

Cummins, Inc. (CMI) has declared a 2 for 1 stock split payable to share holders of record on Monday, March 26, 2007. Distribution date for the stock split will be Monday, April 9, 2007. **Ex-distribution date for the stock split will be Tuesday, April 10, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional CMI option contract for each option contract held. Further, on the ex-distribution date each CMI series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each CMI series existing on the business day preceding the ex-distribution date. For example, beginning on Tuesday, April 10, 2007 an account holding (2) CMI APR 125 calls (CMI DE) will hold (4) CMI APR 62 1/2 calls (CMI DE). Customers should be advised that (1) contract in the adjusted CMI series will still represent 100 shares of CMI common shares.

POSITION/EXERCISE LIMITS:

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 17, 2009

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:

Cummins, Inc. (CMI) (Before 4/10/2007) (1 Contract)					Cummins, Inc. (CMI) (Beginning 4/10/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
CMI	APR	125	DE	PE	CMI	APR	62 1/2	DE	PE
CMI	APR	130	DF	PF	CMI	APR	65	DM	PM
CMI	APR	135	DG	PG	CMI	APR	67 1/2	DU	PU
CMI	APR	140	DH	PH	CMI	APR	70	DN	PN
CMI	APR	145	DI	PI	CMI	APR	72 1/2	DV	PV
CMI	APR	150	DV	PV	CMI	APR	75	DO	PO
CMI	APR	155	DK	PK	CMI	APR	77 1/2	DW	PW
CMI	APR	160	DW	PW	CMI	APR	80	DP	PP
CMI	APR	165	DM	PM	CMI	APR	82 1/2	DX	PX
CMI	MAY	100	ET	QT	CMI	MAY	50	EJ	QJ
CMI	MAY	105	EA	QA	CMI	MAY	52 1/2	EC	QC
CMI	MAY	110	EU	QU	CMI	MAY	55	EK	QK
CMI	MAY	115	EC	QC	CMI	MAY	57 1/2	ED	QD
CMI	MAY	120	ED	QD	CMI	MAY	60	EL	QL
CMI	MAY	125	EE	QE	CMI	MAY	62 1/2	EE	QE
CMI	MAY	130	EF	QF	CMI	MAY	65	EM	QM
CMI	MAY	135	EG	QG	CMI	MAY	67 1/2	EU	QU
CMI	MAY	140	EH	QH	CMI	MAY	70	EN	QN
CMI	MAY	145	EI	QI	CMI	MAY	72 1/2	EV	QV
CMI	MAY	150	EV	QV	CMI	MAY	75	EO	QO
CMI	MAY	155	EK	QK	CMI	MAY	77 1/2	EW	QW
CMI	MAY	160	EW	QW	CMI	MAY	80	EP	QP
CMI	MAY	165	EM	QM	CMI	MAY	82 1/2	EX	QX
CMI	MAY	170	EX	QX	CMI	MAY	85	EQ	QQ

Cummins, Inc. (CMI)
(Before 4/10/2007)
(1 Contract)

			Calls	Puts
CMI	JUN	100	FT	RT
CMI	JUN	105	FA	RA
CMI	JUN	110	FU	RU
CMI	JUN	115	FC	RC
CMI	JUN	120	FD	RD
CMI	JUN	125	FE	RE
CMI	JUN	130	FF	RF
CMI	JUN	135	FG	RG
CMI	JUN	140	FH	RH
CMI	JUN	145	FI	RI
CMI	JUN	150	FV	RV
CMI	JUN	155	FK	RK
CMI	JUN	160	FW	RW
CMI	JUN	165	FM	RM
CMI	JUN	170	FX	RX
CMI	JUN	175	FB	RB
CMI	SEP	105	IA	UA
CMI	SEP	110	IU	UU
CMI	SEP	115	IC	UC
CMI	SEP	120	ID	UD
CMI	SEP	125	IE	UE
CMI	SEP	130	IF	UF
CMI	SEP	135	IG	UG
CMI	SEP	140	IH	UH
CMI	SEP	145	II	UI
CMI	SEP	150	IV	UV
CMI	SEP	155	IK	UK
CMI	SEP	160	IW	UW
CMI	SEP	165	IM	UM
CMI	SEP	170	IX	UX
CMI	SEP	175	IB	UB

Cummins, Inc. (CMI)
(Beginning 4/10/2007)
(2 Contracts)

			Calls	Puts
CMI	JUN	50	FJ	RJ
CMI	JUN	52 1/2	FC	RC
CMI	JUN	55	FK	RK
CMI	JUN	57 1/2	FD	RD
CMI	JUN	60	FL	RL
CMI	JUN	62 1/2	FE	RE
CMI	JUN	65	FM	RM
CMI	JUN	67 1/2	FU	RU
CMI	JUN	70	FN	RN
CMI	JUN	72 1/2	FV	RV
CMI	JUN	75	FO	RO
CMI	JUN	77 1/2	FW	RW
CMI	JUN	80	FP	RP
CMI	JUN	82 1/2	FX	RX
CMI	JUN	85	FQ	RQ
CMI	JUN	87 1/2	FY	RY
CMI	SEP	52 1/2	IC	UC
CMI	SEP	55	IK	UK
CMI	SEP	57 1/2	ID	UD
CMI	SEP	60	IL	UL
CMI	SEP	62 1/2	IE	UE
CMI	SEP	65	IM	UM
CMI	SEP	67 1/2	IU	UU
CMI	SEP	70	IN	UN
CMI	SEP	72 1/2	IV	UV
CMI	SEP	75	IO	UO
CMI	SEP	77 1/2	IW	UW
CMI	SEP	80	IP	UP
CMI	SEP	82 1/2	IX	UX
CMI	SEP	85	IQ	UQ
CMI	SEP	87 1/2	IY	UY

Cummins, Inc. - 2008 Leap (WEE/KDK)
(Before 4/10/2007)
(1 Contract)

			Calls	Put
WEE	JAN	60	AL	ML
WEE	JAN	70	AN	MN
WEE	JAN	75	AO	MO
WEE	JAN	80	AP	MP
WEE	JAN	85	AQ	MQ
WEE	JAN	90	AR	MR
WEE	JAN	100	AT	MT
WEE	JAN	105	AA	MA
WEE	JAN	110	AB	MB
WEE	JAN	120	AD	MD
WEE	JAN	130	AV	MV
WEE	JAN	140	AH	MH
WEE	JAN	150	AJ	MJ
WEE	JAN	160	AW	MW
WEE	JAN	170	AX	MX

Cummins, Inc. - 2008 Leap (WEE/KDK)
(Beginning 4/10/2007)
(2 Contracts)

			Calls	Put
WEE	JAN	30	AF	MF
WEE	JAN	35	AG	MG
WEE	JAN	37 1/2	AA	MA
WEE	JAN	40	AH	MH
WEE	JAN	42 1/2	AB	MB
WEE	JAN	45	AI	MI
WEE	JAN	50	AJ	MJ
WEE	JAN	52 1/2	AC	MC
WEE	JAN	55	AK	MK
WEE	JAN	60	AL	ML
WEE	JAN	65	AM	MM
WEE	JAN	70	AN	MN
WEE	JAN	75	AO	MO
WEE	JAN	80	AP	MP
WEE	JAN	85	AQ	MQ

Cummins, Inc. - 2008 Leap (WEE/KDK)
 (Before 4/10/2007)
 (1 Contract)

			Calls	Put
KDK	JAN	180	AP	MP
KDK	JAN	190	AR	MR
KDK	JAN	200	AT	MT
KDK	JAN	210	AB	MB
KDK	JAN	220	AD	MD
KDK	JAN	230	AF	MF

Cummins, Inc. - 2008 Leap (WEE/KDK)
 (Beginning 4/10/2007)
 (2 Contracts)

			Calls	Put
KDK	JAN	90	AR	MR
KDK	JAN	95	AS	MS
KDK	JAN	100	AT	MT
KDK	JAN	105	AA	MA
KDK	JAN	110	AB	MB
KDK	JAN	115	AC	MC

Cummins, Inc. - 2009 Leap (VBE/XCQ)
 (Before 4/10/2007)
 (1 Contract)

			Calls	Put
VBE	JAN	90	AR	MR
VBE	JAN	100	AT	MT
VBE	JAN	110	AB	MB
VBE	JAN	120	AD	MD
VBE	JAN	130	AF	MF
VBE	JAN	140	AH	MH
VBE	JAN	150	AJ	MJ
VBE	JAN	160	AW	MW
VBE	JAN	165	AM	MM
VBE	JAN	170	AX	MX
XCQ	JAN	180	AP	MP
XCQ	JAN	190	AR	MR
XCQ	JAN	200	AT	MT
XCQ	JAN	210	AB	MB
XCQ	JAN	220	AD	MD
XCQ	JAN	230	AF	MF

Cummins, Inc. - 2009 Leap (VBE/XCQ)
 (Beginning 4/10/2007)
 (2 Contracts)

			Calls	Put
VBE	JAN	45	AI	MI
VBE	JAN	50	AJ	MJ
VBE	JAN	55	AK	MK
VBE	JAN	60	AL	ML
VBE	JAN	65	AM	MM
VBE	JAN	70	AN	MN
VBE	JAN	75	AO	MO
VBE	JAN	80	AP	MP
VBE	JAN	82 1/2	AX	MX
VBE	JAN	85	AQ	MQ
XCQ	JAN	90	AR	MR
XCQ	JAN	95	AS	MS
XCQ	JAN	100	AT	MT
XCQ	JAN	105	AA	MA
XCQ	JAN	110	AB	MB
XCQ	JAN	115	AC	MC

Any additional CMI 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) 496-1508.