

MEMORANDUM

To: All Option Members, Member Organizations and ROTs  
From: Market Watch  
Date: August 31, 2007  
**Subject: Pioneer Companies, Inc. (PONR/QPQ) MERGER EFFECTIVE**

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On Tuesday, August 28, 2007, the shareholders of Pioneer Companies, Inc. (PONR) voted to approve the proposed merger with Olin Corporation and Princeton Merger Corp. Pursuant to the merger terms each PONR share will be converted into the right to receive \$35.00 cash. **The merger became effective on Friday, August 31, 2007.**

*\*\*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 QPQ options will be adjusted as follows:

**EFFECTIVE DATE: Tuesday, September 4, 2007**  
**NEW DELIVERABLE: \$3,500.00 cash per contract (\$35.00 x 100)**

**Existing open interest in all QPQ options will remain until options are exercised or expire. Since they are American style options, they are exercisable at the option of the holder.**

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