



MEMO: 3078-07

MEMORANDUM

TO: All Option Members, Member Organizations and ROTs

FROM: Market Watch

DATE: December 24, 2007

RE: Temple-Inland Inc. (TIN/TKZ/ZDK/WHC)
ADJUSTMENT TO OPTIONS DELIVERABLE

On December 10, 2007, Temple-Inland Inc. (TIN) options were adjusted to call for 100 shares Temple-Inland Inc. (TIN), plus \$1,025.00 cash due to a special cash dividend.

On December 31, 2007, Temple-Inland Inc. (TIN) will enact a stock distribution of Guaranty Financial Group, Inc. (GFG) & Forestar Real Estate Group, Inc. (FOR). **As a result of the spin-off, all adjusted Temple-Inland Inc. options (TKZ/ZDK/WHC) will now carry the following deliverable, beginning Monday, December 31, 2007:**

- 1) 100 Temple-Inland Inc. (TIN) Common Shares
- 2) Approximately 33 Guaranty Financial Group Inc. (GFG) Common Shares
- 3) Approximately 33 Forestar Real Estate Group, Inc. (FOR) Common Shares
- 4) \$1,025.00 cash
- 5) Cash in lieu of fractional shares, if any

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