

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: December 24, 2007

Subject: Chittenden Corporation (CHZ) Merger With People's United Financial Inc. (PBCT)

On Wednesday, November 28, 2007, the shareholders of Chittenden Corporation (CHZ) voted to approve the proposed merger with People's United Financial Inc. (PBCT). Pursuant to the merger terms each CHZ share will be converted as follows:

Stock Consideration: An amount of all outstanding CHZ Common shares will be converted into an amount of PBCT Common Shares equal to \$20.35 plus the product of 0.8775 times the PBCT closing price (as described in the prospectus) divided by the PBCT closing price, subject to proration. Cash will be paid in lieu of fractional PBCT Common Shares.

Cash Consideration: An amount of all outstanding CHZ Common shares will be converted into an amount of cash equal to the \$20.35 plus the product of 0.8775 times the PBCT closing price (as described in the prospectus), subject to proration.

Within the terms of the merger, CHZ shareholders may choose one of the following:

Cash Election: Elect to receive an amount of cash for each CHZ Common Share; OR

Stock Election: Elect to receive an amount of Common Shares for each CHZ Common Share; OR

Mixed Election: Elect to receive a combination of cash and PBCT Common Shares; OR

Non-Election: Register no preference with no respect to cash or PBCT Common Shares

All elections will be subject to prorations as described in the Proxy Statement. Electing CHZ shareholders may receive cash, PBCT Common Shares or a combination of cash and stock; while non-electing CHZ shareholders may receive cash, stock or a combination of cash and stock (as described above).

ELECTION DEADLINE:

Elections must be submitted to the Exchange Agent prior to the election deadline, which is 5:00 P.M., New York City Time, Monday, December 24, 2007. CHZ shares MAY be delivered under "Notices of Guaranteed Delivery", which allows delivery of such shares within three (3) NYSE trading days of submission of the notice. Elections may be made under "Notices of Guaranteed Delivery", on or before the election deadline. Call option holders wishing to participate in the election must exercise their options in advance of the election deadline.

***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 CHZ options will be adjusted as follows:

EFFECTIVE DATE:	Options changes are anticipated to become effective on a date to be announced
SYMBOL(s):	CHZ becomes CFO
STRIKE PRICE:	No Change
POS/EXERCISE LIMIT:	No Change
MULTIPLIER:	100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE:	The deliverable for adjusted CHZ options will be based on the merger consideration which accrues to Non-Electing shareholders.

Chittenden Corporation (CHZ)
 (Before - Date To Be Announced)
 100 shares CHZ

			Calls	Puts
CHZ	JAN	30	AF	MF
CHZ	JAN	35	AG	MG
CHZ	JAN	40	AH	MH
CHZ	FEB	25	BE	NE
CHZ	FEB	30	BF	NF
CHZ	FEB	35	BG	NG
CHZ	FEB	40	BH	NH
CHZ	FEB	45	BI	NI
CHZ	APR	25	DE	PE
CHZ	APR	30	DF	PF
CHZ	APR	35	DG	PG
CHZ	APR	40	DH	PH
CHZ	JUL	30	GF	SF
CHZ	JUL	35	GG	SG
CHZ	JUL	40	GH	SH

Chittenden Corporation (CFO)
 (Beginning - Date To Be Announced)
 (See New Deliverable Above)

			Calls	Puts
CFO	JAN	30	AF	MF
CFO	JAN	35	AG	MG
CFO	JAN	40	AH	MH
CFO	FEB	25	BE	NE
CFO	FEB	30	BF	NF
CFO	FEB	35	BG	NG
CFO	FEB	40	BH	NH
CFO	FEB	45	BI	NI
CFO	APR	25	DE	PE
CFO	APR	30	DF	PF
CFO	APR	35	DG	PG
CFO	APR	40	DH	PH
CFO	JUL	30	GF	SF
CFO	JUL	35	GG	SG
CFO	JUL	40	GH	SH

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

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