

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings/Market Watch

Date: February 2, 2007

**Subject: \*\*REVISED\*\* Caremark Rx, Inc. (CMX) Pending Merger With CVS Corporation (CVS)**

On Tuesday, February 20, 2007, the shareholders of Caremark Rx, Inc. (CMX) will vote to approve the proposed merger with CVS Corporation (CVS). Pursuant to the merger terms each CMX share will be converted into the right to receive 1.67 CVS/Caremark common shares. **The merger will become effective on a date to be announced.**

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

**EFFECTIVE DATE:** Option changes are expected to become effective on a date to be announced  
**SYMBOL(s):** CMX/WXC/OM becomes CLZ/CWM/VFS; respectively  
**STRIKE PRICE:** No Change  
**POS/EXERCISE LIMIT:** 667,500 contracts until January 2009; where the limit reverts to 250,000 contracts  
**MULTIPLIER:** 100\*(eg., Premium of 1.00 = \$100)  
**NEW DELIVERABLE:** 1) 167 CVS common shares

Caremark Rx, Inc. (CMX) (Before - Date To Be Announced)					Caremark Rx, Inc. (CLZ) (Beginning - Date To Be Announced) (See New Deliverable Above)				
			Calls	Puts			Calls	Puts	
		100 shares CMX							
CMX	MAR	35	CG	OG	CLZ	MAR	35	CG	OG
CMX	MAR	40	CH	OH	CLZ	MAR	40	CH	OH
CMX	MAR	45	CI	OI	CLZ	MAR	45	CI	OI
CMX	MAR	50	CJ	OJ	CLZ	MAR	50	CJ	OJ
CMX	MAR	55	CK	OK	CLZ	MAR	55	CK	OK
CMX	MAR	60	CL	OL	CLZ	MAR	60	CL	OL
CMX	MAR	65	CM	OM	CLZ	MAR	65	CM	OM
CMX	MAR	70	CN	ON	CLZ	MAR	70	CN	ON
CMX	MAR	75	CO	OO	CLZ	MAR	75	CO	OO
CMX	JUN	30	FF	RF	CLZ	JUN	30	FF	RF
CMX	JUN	35	FG	RG	CLZ	JUN	35	FG	RG
CMX	JUN	40	FH	RH	CLZ	JUN	40	FH	RH
CMX	JUN	45	FI	RI	CLZ	JUN	45	FI	RI
CMX	JUN	50	FJ	RJ	CLZ	JUN	50	FJ	RJ
CMX	JUN	55	FK	RK	CLZ	JUN	55	FK	RK
CMX	JUN	60	FL	RL	CLZ	JUN	60	FL	RL
CMX	JUN	65	FM	RM	CLZ	JUN	65	FM	RM
CMX	JUN	70	FN	RN	CLZ	JUN	70	FN	RN
CMX	SEP	35	IG	UG	CLZ	SEP	35	IG	UG
CMX	SEP	40	IH	UH	CLZ	SEP	40	IH	UH
CMX	SEP	45	II	UI	CLZ	SEP	45	II	UI
CMX	SEP	50	IJ	UJ	CLZ	SEP	50	IJ	UJ
CMX	SEP	55	IK	UK	CLZ	SEP	55	IK	UK
CMX	SEP	60	IL	UL	CLZ	SEP	60	IL	UL
CMX	SEP	65	IM	UM	CLZ	SEP	65	IM	UM
CMX	SEP	70	IN	UN	CLZ	SEP	70	IN	UN
CMX	SEP	75	IO	UO	CLZ	SEP	75	IO	UO

Caremark Rx, Inc. (WXC) - 2008 Leaps  
 (Before - Date To Be Announced)  
 100 shares CMX

			Calls	Puts
WXC	JAN	20	AD	MD
WXC	JAN	30	AF	MF
WXC	JAN	35	AG	MG
WXC	JAN	40	AH	MH
WXC	JAN	45	AI	MI
WXC	JAN	50	AJ	MJ
WXC	JAN	60	AL	ML
WXC	JAN	70	AN	MN

Caremark Rx, Inc. (CWM) - 2008 Leaps  
 (Beginning - Date To Be Announced)  
 (See New Deliverable Above)

			Calls	Puts
<b>CWM</b>	JAN	20	AD	MD
<b>CWM</b>	JAN	30	AF	MF
<b>CWM</b>	JAN	35	AG	MG
<b>CWM</b>	JAN	40	AH	MH
<b>CWM</b>	JAN	45	AI	MI
<b>CWM</b>	JAN	50	AJ	MJ
<b>CWM</b>	JAN	60	AL	ML
<b>CWM</b>	JAN	70	AN	MN

Caremark Rx, Inc. (OZM) - 2009 Leaps  
 (Before - Date To Be Announced)  
 100 shares CMX

			Calls	Puts
OZM	JAN	30	AF	MF
OZM	JAN	40	AH	MH
OZM	JAN	50	AJ	MJ
OZM	JAN	60	AL	ML
OZM	JAN	70	AN	MN

Caremark Rx, Inc. (VFS) - 2009 Leaps  
 (Beginning - Date To Be Announced)  
 (See New Deliverable Above)

			Calls	Puts
VFS	JAN	30	AF	MF
VFS	JAN	40	AH	MH
VFS	JAN	50	AJ	MJ
VFS	JAN	60	AL	ML
VFS	JAN	70	AN	MN

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 Listings/Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.