

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Listings/Market Watch

Date: January 23, 2007

**Subject: Commonwealth Telephone Enterprises, Inc. (CTCO/QOK) Pending Merger With
Citizens Communications Company (CZN)**

On Thursday, January 25, 2007, the shareholders of Commonwealth Telephone Enterprises, Inc. (CTCO) will vote to approve the proposed merger with Citizens Communications Company (CZN). Pursuant to the merger terms each CTCO share will be converted into the right to receive 0.768 CZN common shares plus \$31.31 cash. Cash will be paid in lieu of fractional CZN shares. The merger is anticipated to become effective on a date to be announced in mid 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 QOK options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
SYMBOL(s): **QOK/YHR/ZLQ becomes QDN/LQO/ZBD respectively**
STRIKE PRICE: No Change
POS/EXERCISE LIMIT: 300,000 contracts until January 2009 expiration, where the limits revert to 250,000 contracts
MULTIPLIER: 100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE: **1) 76 Citizens Communications Company (CZN) Common Shares**
2) \$3,131.00 Cash
3) Cash in lieu of 0.08 fractional CZN Common Shares

Commonwealth Telephone Enterprises, Inc. (CTCO/QOK)					Commonwealth Telephone Enterprises, Inc. (CTCO/QDN)				
(Before - Date To Be Announced)					(Beginning - Date To Be Announced)				
100 shares CTCO					(See New Deliverable Above)				
			Calls	Puts				Calls	Puts
QOK	FEB	35	BG	NG	QDN	FEB	35	BG	NG
QOK	FEB	40	BH	NH	QDN	FEB	40	BH	NH
QOK	FEB	45	BI	NI	QDN	FEB	45	BI	NI
QOK	MAR	35	CG	OG	QDN	MAR	35	CG	OG
QOK	MAR	40	CH	OH	QDN	MAR	40	CH	OH
QOK	MAR	45	CI	OI	QDN	MAR	45	CI	OI
QOK	APR	30	DF	PF	QDN	APR	30	DF	PF
QOK	APR	35	DG	PG	QDN	APR	35	DG	PG
QOK	APR	40	DH	PH	QDN	APR	40	DH	PH
QOK	APR	45	DI	PI	QDN	APR	45	DI	PI
QOK	JUL	35	GG	SG	QDN	JUL	35	GG	SG
QOK	JUL	40	GH	SH	QDN	JUL	40	GH	SH
QOK	JUL	45	GI	SI	QDN	JUL	45	GI	SI

Commonwealth Telephone Enterprises, Inc. 2008 Leap (YHR)					Commonwealth Telephone Enterprises, Inc. 2008 Leap (LQO)				
(Before - Date To Be Announced)					(Beginning - Date To Be Announced)				
100 shares CTCO					(See New Deliverable Above)				
			Call	Put				Call	Put
YHR	JAN	30	AF	MF	LQO	JAN	30	AF	MF
YHR	JAN	35	AG	MG	LQO	JAN	35	AG	MG
YHR	JAN	40	AH	MH	LQO	JAN	40	AH	MH

Commonwealth Telephone Enterprises, Inc. 2009 Leap (ZLQ)
 (Before - Date To Be Announced)
 100 shares CTCO

			Call	Put
ZLQ	JAN	25	AE	ME
ZLQ	JAN	30	AF	MF
ZLQ	JAN	35	AG	MG
ZLQ	JAN	40	AH	MH
ZLQ	JAN	45	AI	MI

Commonwealth Telephone Enterprises, Inc. 2009 Leap (ZBD)
 (Beginning - Date To Be Announced)
 (See New Deliverable Above)

			Call	Put
ZBD	JAN	25	AE	ME
ZBD	JAN	30	AF	MF
ZBD	JAN	35	AG	MG
ZBD	JAN	40	AH	MH
ZBD	JAN	45	AI	MI

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.