

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: July 19, 2007

Subject: Archstone-Smith Trust (ASN) Pending Merger

On Tuesday, August 21, 2007, the shareholders of Archstone-Smith Trust (ASN) will vote to approve the proposed merger with Tishman Speyer Real Estate Venture VII, L.P. and Lehman Brothers Holdings Inc. Pursuant to the merger terms each ASN share will be converted into the right to receive \$60.75 cash. **The merger is anticipated to become effective in 3rd quarter of 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 ASN options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
NEW DELIVERABLE: \$6,075.00 cash per contract (\$60.75 x 100)

Existing open interest in all ASN 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.