

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: July 23, 2007

Re: American Standard Companies, Inc. (ASD) - Stock Distribution

American Standard Companies, Inc. (ASD) has declared a distribution of Common Stock of WABCO Holdings Inc. (WBC) to ASD shareholders of record, July 19, 2007. Distribution will be Tuesday, July 31, 2007. **Ex-distribution is August 1, 2007.** The distribution will be 0.3333333 shares of WABCO Holdings Inc. per share of American Standard Companies, Inc.

Accordingly, pursuant to OCC By-Laws, all ASD options on the ex-distribution date must be adjusted as follows:

Adjustment Date: Effective Wednesday, August 1, 2007.
Symbol(s): ASD/OBT/YBJ becomes AAW/KMW/XKD
Strike Price: Unchanged
Multiplier: 100 (e.g., Premium of 1.00 = \$100)
New Deliverable: 1) 100 Shares of American Standard Companies, Inc. (ASD)
 2) 33 Shares of WABCO Holdings Inc. (WBC)
 3) Cash in lieu of fractional 0.333333 WBC shares

GOOD-TILL-CANCELLED (GTC) ORDERS

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

American Standard Companies, Inc. (ASD) (Before 8/1/2007) (100 shrs ASD)					American Standard Companies, Inc. (AAW) (Beginning 8/1/2007) (See new deliverable above)				
			Calls	Puts				Calls	Puts
ASD	AUG	40	HH	TH	AAW	AUG	40	HH	TH
ASD	AUG	45	HI	TI	AAW	AUG	45	HI	TI
ASD	AUG	50	HJ	TJ	AAW	AUG	50	HJ	TJ
ASD	AUG	55	HK	TK	AAW	AUG	55	HK	TK
ASD	AUG	60	HL	TL	AAW	AUG	60	HL	TL
ASD	AUG	65	HM	TM	AAW	AUG	65	HM	TM
ASD	AUG	70	HN	TN	AAW	AUG	70	HN	TN
ASD	AUG	75	HO	TO	AAW	AUG	75	HO	TO
ASD	AUG	80	HP	TP	AAW	AUG	80	HP	TP
ASD	SEP	40	IH	UH	AAW	SEP	40	IH	UH
ASD	SEP	45	II	UI	AAW	SEP	45	II	UI
ASD	SEP	50	IJ	UJ	AAW	SEP	50	IJ	UJ
ASD	SEP	55	IK	UK	AAW	SEP	55	IK	UK
ASD	SEP	60	IL	UL	AAW	SEP	60	IL	UL
ASD	SEP	65	IM	UM	AAW	SEP	65	IM	UM
ASD	SEP	70	IN	UN	AAW	SEP	70	IN	UN
ASD	SEP	75	IO	UO	AAW	SEP	75	IO	UO
ASD	SEP	80	IP	UP	AAW	SEP	80	IP	UP
ASD	SEP	85	IQ	UQ	AAW	SEP	85	IQ	UQ

American Standard Companies, Inc. (ASD)
(Before 8/1/2007)
(100 shrs ASD)

			Calls	Puts
ASD	OCT	35	JG	VG
ASD	OCT	40	JH	VH
ASD	OCT	45	JI	VI
ASD	OCT	50	JJ	VJ
ASD	OCT	55	JK	VK
ASD	OCT	60	JL	VL
ASD	OCT	65	JM	VM
ASD	OCT	70	JN	VN
ASD	OCT	75	JO	VO
ASD	JAN	20	AD	MD
ASD	JAN	25	AE	ME
ASD	JAN	30	AF	MF
ASD	JAN	35	AG	MG
ASD	JAN	40	AH	MH
ASD	JAN	45	AI	MI
ASD	JAN	50	AJ	MJ
ASD	JAN	55	AK	MK
ASD	JAN	60	AL	ML
ASD	JAN	65	AM	MM
ASD	JAN	70	AN	MN
ASD	JAN	75	AO	MO

American Standard Companies, Inc. (AAW)
(Beginning 8/1/2007)
(See new deliverable above)

			Calls	Puts
AAW	OCT	35	JG	VG
AAW	OCT	40	JH	VH
AAW	OCT	45	JI	VI
AAW	OCT	50	JJ	VJ
AAW	OCT	55	JK	VK
AAW	OCT	60	JL	VL
AAW	OCT	65	JM	VM
AAW	OCT	70	JN	VN
AAW	OCT	75	JO	VO
AAW	JAN	20	AD	MD
AAW	JAN	25	AE	ME
AAW	JAN	30	AF	MF
AAW	JAN	35	AG	MG
AAW	JAN	40	AH	MH
AAW	JAN	45	AI	MI
AAW	JAN	50	AJ	MJ
AAW	JAN	55	AK	MK
AAW	JAN	60	AL	ML
AAW	JAN	65	AM	MM
AAW	JAN	70	AN	MN
AAW	JAN	75	AO	MO

American Standard Companies, Inc. - 2009 Leap (OBT)
(Before 8/1/2007)
(100 shrs ASD)

			Calls	Put
OBT	JAN	20	AD	MD
OBT	JAN	30	AF	MF
OBT	JAN	40	AH	MH
OBT	JAN	50	AJ	MJ
OBT	JAN	60	AL	ML
OBT	JAN	65	AM	MM
OBT	JAN	70	AN	MN
OBT	JAN	75	AO	MO
OBT	JAN	80	AP	MP
OBT	JAN	85	AQ	MQ
OBT	JAN	90	AR	MR

American Standard Companies, Inc. - 2009 Leap (KMW)
(Beginning 8/1/2007)
(See new deliverable above)

			Calls	Put
KMW	JAN	20	AD	MD
KMW	JAN	30	AF	MF
KMW	JAN	40	AH	MH
KMW	JAN	50	AJ	MJ
KMW	JAN	60	AL	ML
KMW	JAN	65	AM	MM
KMW	JAN	70	AN	MN
KMW	JAN	75	AO	MO
KMW	JAN	80	AP	MP
KMW	JAN	85	AQ	MQ
KMW	JAN	90	AR	MR

American Standard Companies, Inc. - 2010 Leap (YBJ)
(Before 8/1/2007)
(100 shrs ASD)

			Calls	Put
YBJ	JAN	40	AH	MH
YBJ	JAN	50	AJ	MJ
YBJ	JAN	60	AL	ML
YBJ	JAN	70	AN	MN
YBJ	JAN	80	AP	MP

American Standard Companies, Inc. - 2010 Leap (XKD)
(Beginning 8/1/2007)
(See new deliverable above)

			Calls	Put
XKD	JAN	40	AH	MH
XKD	JAN	50	AJ	MJ
XKD	JAN	60	AL	ML
XKD	JAN	70	AN	MN
XKD	JAN	80	AP	MP

Any additional ASD series that are added prior to the ex-date will also be adjusted in the manner described above.

The new ASD option contracts representing 100 shares of ASD, will be admitted to trading on Thursday, August 2, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-1508.