

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: June 12, 2007

**Re: California Pizza Kitchen, Inc. (CPKI/CUH) - 3 for 2 Stock Split**

California Pizza Kitchen, Inc. (CUH/CPKI) has declared a 3 for 2 stock split payable to shareholders of record on Monday, June 11, 2007. Distribution date for the stock split will be Monday, June 18, 2007. **Ex-distribution date for the stock split will be Tuesday, June 19, 2007.**

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

1. The number of underlying shares represented by each option contract will be increased to 150 shares.
2. The strike price of each outstanding option series will be reduced proportionately and rounded to the nearest eighth of a point.

The effect of these adjustments on all outstanding CUH options will be to change the symbol(s) to CLH, increase the number of underlying shares represented by each contract to 150, and to reduce the strike price for each series proportionately. The Exchange has further determined that new CUH option contracts, representing 100 shares of CPKI, will start trading on Wednesday, June 20, 2007. The PHLX has established that effective on the ex-distribution date, and until January 19, 2008 expiration, the position and exercise limits shall be any combination of CUH and CLH options not to exceed 7,500,000 shares of CPKI. Following January 19, 2008 expiration, the position and exercise limit will return to the established limit of 50,000 contracts. Therefore, commencing Tuesday, June 19, 2007, the current CUH strike prices will be adjusted and identified by the symbol CLH.

The resulting list of adjusted strike prices and symbols is as shown on the following pages:

California Pizza Kitchen, Inc. (CPKI/CUH) (Before 6/19/2007) (100 shrs CPKI)					California Pizza Kitchen, Inc. (CPKI/CLH) (Beginning 6/19/2007) (150 shrs CPKI)				
			Calls	Puts				Calls	Puts
CUH	JUL	22 1/2	GX	SX	CLH	JUL	15	GC	SC
CUH	JUL	25	GE	SE	CLH	JUL	16 5/8	GW	SW
CUH	JUL	30	GF	SF	CLH	JUL	20	GD	SD
CUH	JUL	35	GG	SG	CLH	JUL	23 3/8	GX	SX
CUH	JUL	40	GH	SH	CLH	JUL	26 5/8	GY	SY
CUH	OCT	25	JE	VE	CLH	OCT	16 5/8	JW	VW
CUH	OCT	30	JF	VF	CLH	OCT	20	JD	VD
CUH	OCT	35	JG	VG	CLH	OCT	23 3/8	JX	VX
CUH	OCT	40	JH	VH	CLH	OCT	26 5/8	JY	VY
CUH	OCT	45	JI	VI	CLH	OCT	30	JF	VF
CUH	JAN	25	AE	ME	CLH	JAN	16 5/8	AW	MW
CUH	JAN	30	AF	MF	CLH	JAN	20	AD	MD
CUH	JAN	35	AG	MG	CLH	JAN	23 3/8	AX	MX
CUH	JAN	40	AH	MH	CLH	JAN	26 5/8	AY	MY
CUH	JAN	45	AI	MI	CLH	JAN	30	AF	MF
CUH	JAN	50	AJ	MJ	CLH	JAN	33 3/8	AZ	MZ

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

The new CUH option contracts representing 100 shares of CPKI, will be admitted to trading on Wednesday, June 20, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

The bids and offers for listed options are usually expressed in price per share of the underlying security. If the unit of trading is 100 shares, a bid of 2 would indicate a dollar premium of \$200.00 per contract. If, however, the unit of trading is 150, a bid of 2 would indicate a dollar premium of \$300.00.

Brokers must advise their customers of this fact in connection with the adjusted CLH options. Brokers are cautioned to be certain that customers entering closing transactions make the proper description of the options. Failure to do this could result in closing out an existing position in the adjusted series. Customers should also be advised that if they are 'covered writers', they must retain and not liquidate the additional shares of CPKI if they are to remain fully covered. Customers initiating opening writing positions in CPKI on or after Tuesday, June 19, 2007 must own 150 shares of CPKI common stock for each contract held in order to be fully covered. Commencing on June 20, 2007 and thereafter, customers purchasing 100 shares of CPKI and selling one option should be certain to sell 'NEW' contracts to avoid being uncovered writers.

Customers should be advised that Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution 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) 496-1508.