

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: June 21, 2007

**Re: Yum! Brands Inc. (YUM) - 2 for 1 Stock Split**

Yum! Brands Inc. (YUM) has declared a 2 for 1 stock split payable to share holders of record on Friday, June 1, 2007. Distribution date for the stock split will be Tuesday, June 26, 2007. **Ex-distribution date for the stock split will be Wednesday, June 27, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional YUM option contract for each option contract held. Further, on the ex-distribution date each YUM series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each YUM series existing on the business day preceding the ex-distribution date. For example, beginning on Wednesday, June 27, 2007 an account holding (2) YUM JUL 50 calls (YUM GJ) will hold (4) YUM JUL 25 calls (YUM GE). Customers should be advised that (1) contract in the adjusted YUM series will still represent 100 shares of YUM common shares.

**POSITION/EXERCISE LIMITS:**

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 16, 2010

**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.

The resulting list of adjusted strike prices and symbols is as follows:

Yum! Brands Inc. (YUM) (Before 6/27/2007) (1 Contract)					Yum! Brands Inc. (YUM) (Beginning 6/27/2007) (2 Contracts)				
			Calls	Puts				Calls	Puts
YUM	JUL	50	GJ	SJ	YUM	JUL	25	GE	SE
YUM	JUL	55	GK	SK	YUM	JUL	27 1/2	GY	SY
YUM	JUL	60	GL	SL	YUM	JUL	30	GF	SF
YUM	JUL	65	GM	SM	YUM	JUL	32 1/2	GZ	SZ
YUM	JUL	70	GN	SN	YUM	JUL	35	GG	SG
YUM	JUL	75	GO	SO	YUM	JUL	37 1/2	GU	SU
YUM	AUG	55	HK	TK	YUM	AUG	27 1/2	HY	TY
YUM	AUG	60	HL	TL	YUM	AUG	30	HF	TF
YUM	AUG	65	HM	TM	YUM	AUG	32 1/2	HZ	TZ
YUM	AUG	70	HN	TN	YUM	AUG	35	HG	TG
YUM	AUG	75	HO	TO	YUM	AUG	37 1/2	HU	TU
YUM	OCT	50	JJ	VJ	YUM	OCT	25	JE	VE
YUM	OCT	55	JK	VK	YUM	OCT	27 1/2	JY	VY
YUM	OCT	60	JL	VL	YUM	OCT	30	JF	VF
YUM	OCT	65	JM	VM	YUM	OCT	32 1/2	JZ	VZ
YUM	OCT	70	JN	VN	YUM	OCT	35	JG	VG
YUM	OCT	75	JO	VO	YUM	OCT	37 1/2	JU	VU
YUM	OCT	80	JP	VP	YUM	OCT	40	JH	VH

Yum! Brands Inc. (YUM)					Yum! Brands Inc. (YUM)				
(Before 6/27/2007)					(Beginning 6/27/2007)				
(1 Contract)					(2 Contracts)				
			Calls	Puts			Calls	Puts	
YUM	JAN	25	AE	ME	YUM	JAN	12 1/2	AV	MV
YUM	JAN	30	AF	MF	YUM	JAN	15	AC	MC
YUM	JAN	40	AH	MH	YUM	JAN	20	AD	MD
YUM	JAN	45	AI	MI	YUM	JAN	22 1/2	AX	MX
YUM	JAN	50	AJ	MJ	YUM	JAN	25	AE	ME
YUM	JAN	55	AK	MK	YUM	JAN	27 1/2	AY	MY
YUM	JAN	60	AL	ML	YUM	JAN	30	AF	MF
YUM	JAN	65	AM	MM	YUM	JAN	32 1/2	AZ	MZ
YUM	JAN	70	AN	MN	YUM	JAN	35	AG	MG
YUM	JAN	75	AO	MO	YUM	JAN	37 1/2	AU	MU
YUM	JAN	80	AP	MP	YUM	JAN	40	AH	MH

Yum! Brands Inc. - 2009 Leap (VRJ)					Yum! Brands Inc. - 2009 Leap (VRJ)				
(Before 6/27/2007)					(Beginning 6/27/2007)				
(1 Contract)					(2 Contracts)				
			Calls	Put			Calls	Put	
VRJ	JAN	30	AF	MF	VRJ	JAN	15	AC	MC
VRJ	JAN	40	AH	MH	VRJ	JAN	20	AD	MD
VRJ	JAN	50	AJ	MJ	VRJ	JAN	25	AE	ME
VRJ	JAN	60	AL	ML	VRJ	JAN	30	AF	MF
VRJ	JAN	65	AM	MM	VRJ	JAN	32 1/2	AZ	MZ
VRJ	JAN	70	AN	MN	VRJ	JAN	35	AG	MG
VRJ	JAN	75	AO	MO	VRJ	JAN	37 1/2	AU	MU
VRJ	JAN	80	AP	MP	VRJ	JAN	40	AH	MH
VRJ	JAN	90	AR	MR	VRJ	JAN	45	AI	MI

Yum! Brands Inc. - 2010 Leap (WRJ)					Yum! Brands Inc. - 2010 Leap (WRJ)				
(Before 6/27/2007)					(Beginning 6/27/2007)				
(1 Contract)					(2 Contracts)				
			Calls	Put			Calls	Put	
WRJ	JAN	50	AJ	MJ	WRJ	JAN	25	AE	ME
WRJ	JAN	60	AL	ML	WRJ	JAN	30	AF	MF
WRJ	JAN	70	AN	MN	WRJ	JAN	35	AG	MG
WRJ	JAN	80	AP	MP	WRJ	JAN	40	AH	MH
WRJ	JAN	90	AR	MR	WRJ	JAN	45	AI	MI

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

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