

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: March 8, 2007

**Re: Cooper Industries, Inc. (CBE) - 2 for 1 Stock Split**

Cooper Industries, Inc. (CBE) has declared a 2 for 1 stock split payable to share holders of record on Wednesday, February 28, 2007. Distribution date for the stock split will be Thursday, March 15, 2007. **Ex-distribution date for the stock split will be Friday, March 16, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional CBE option contract for each option contract held. Further, on the ex-distribution date each CBE series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each CBE series existing on the business day preceding the ex-distribution date. For example, beginning on Friday, March 16, 2007 an account holding (2) CBE MAR 80 calls (CBE CP) will hold (4) CBE MAR 40 calls (CBE CH). Customers should be advised that (1) contract in the adjusted CBE series will still represent 100 shares of CBE common shares.

**POSITION/EXERCISE LIMITS:**

Position and exercise limits will change from 75,000 to 150,000 contracts until the expiration date of October 20, 2007

**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:

Cooper Industries, Inc. (CBE) (Before 3/16/2007) (1 Contract)					Cooper Industries, Inc. (CBE) (Beginning 3/16/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
CBE	MAR	80	CP	OP	CBE	MAR	40	CH	OH
CBE	MAR	85	CQ	OQ	CBE	MAR	42 1/2	CV	OV
CBE	MAR	90	CR	OR	CBE	MAR	45	CI	OI
CBE	MAR	95	CS	OS	CBE	MAR	47 1/2	CW	OW
CBE	MAR	100	CT	OT	CBE	MAR	50	CJ	OJ
CBE	MAR	105	CA	OA	CBE	MAR	52 1/2	CX	OX
CBE	MAR	110	CB	OB	CBE	MAR	55	CK	OK
CBE	MAR	115	CC	OC	CBE	MAR	57 1/2	CY	OY
CBE	APR	75	DO	PO	CBE	APR	37 1/2	DU	PU
CBE	APR	80	DP	PP	CBE	APR	40	DH	PH
CBE	APR	85	DQ	PQ	CBE	APR	42 1/2	DV	PV
CBE	APR	90	DR	PR	CBE	APR	45	DI	PI
CBE	APR	95	DS	PS	CBE	APR	47 1/2	DW	PW
CBE	APR	100	DT	PT	CBE	APR	50	DJ	PJ
CBE	APR	105	DA	PA	CBE	APR	52 1/2	DX	PX
CBE	APR	110	DB	PB	CBE	APR	55	DK	PK
CBE	APR	115	DC	PC	CBE	APR	57 1/2	DY	PY

Cooper Industries, Inc. (CBE) (Before 3/16/2007) (1 Contract)					Cooper Industries, Inc. (CBE) (Beginning 3/16/2007) (2 Contracts)				
			Calls	Puts				Calls	Puts
CBE	JUL	80	GP	SP	CBE	JUL	40	GH	SH
CBE	JUL	85	GQ	SQ	CBE	JUL	42 1/2	GV	SV
CBE	JUL	90	GR	SR	CBE	JUL	45	GI	SI
CBE	JUL	95	GS	SS	CBE	JUL	47 1/2	GW	SW
CBE	JUL	100	GT	ST	CBE	JUL	50	GJ	SJ
CBE	JUL	105	GA	SA	CBE	JUL	52 1/2	GX	SX
CBE	JUL	110	GB	SB	CBE	JUL	55	GK	SK
CBE	JUL	115	GC	SC	CBE	JUL	57 1/2	GY	SY
CBE	OCT	80	JP	VP	CBE	OCT	40	JH	VH
CBE	OCT	85	JQ	VQ	CBE	OCT	42 1/2	JV	VV
CBE	OCT	90	JR	VR	CBE	OCT	45	JI	VI
CBE	OCT	95	JS	VS	CBE	OCT	47 1/2	JW	VW
CBE	OCT	100	JT	VT	CBE	OCT	50	JJ	VJ

**Any additional CBE 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.