

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: March 27, 2007

Subject: ElkCorp (ELK) MERGER EFFECTIVE

On February 21, 2007, a tender offer by Building Materials Corporation of America to acquire all outstanding shares of ElkCorp (ELK) expired. A short-form merger followed the expiration of the offer. Pursuant to the merger terms, each ELK share will be converted into the right to receive \$43.50 cash. **The merger became effective on Monday, March 26, 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 ELK options will be adjusted as follows:

EFFECTIVE DATE: Tuesday, March 27, 2007
NEW DELIVERABLE: \$4,350.00 cash per contract (\$43.50 x 100)

Existing open interest in all ELK options will remain until options are either 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.