

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: May 25, 2007

Subject: Sierra Health Services (SIE) Pending Merger With UnitedHealth Group Incorporated (UNH)

On Wednesday, June 27, 2007, the shareholders of Sierra Health Services (SIE) will vote to approve the proposed merger with UnitedHealth Group Incorporated (UNH). Pursuant to the merger terms each SIE share will be converted into the right to receive \$43.50 cash. **The merger is anticipated to become effective on a date to be announced in the third or fourth quarter of 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 SIE options will be adjusted as follows:

EFFECTIVE DATE: Option changes are expected to become effective on a date to be announced
NEW DELIVERABLE: \$4,350.00 cash per contract (\$43.50 x 100)

Existing open interest in all SIE options will remain until options are 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.