

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: October 1, 2007

Subject: Laidlaw International, Inc. (LI) MERGER EFFECTIVE

On Friday, April 20, 2007, the shareholders of Laidlaw International, Inc. (LI) voted to approve the proposed merger with FirstGroup plc. Pursuant to the merger terms each LI share will be converted into the right to receive \$35.25 cash. **The merger became effective on Monday, October 1, 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 LI options will be adjusted as follows:

EFFECTIVE DATE: Monday, October 1, 2007
NEW DELIVERABLE: \$3,525.00 cash per contract (\$35.25 x 100)

Existing open interest in all LI 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.