



DATE: September 30, 2011
TO: Permit Holders
FROM: Scott Speer

RE: **BJ's Wholesale Club, Inc. ("BJ") Merger COMPLETED
with Beacon Holding Inc. - Cash Settlement**

Shareholders of BJ's Wholesale Club, Inc. ("BJ") voted on Friday, September 9, 2011, and approved a proposed Merger between BJ and Beacon Merger Sub Inc., a wholly-owned subsidiary of Beacon Holding Inc., both affiliates of the private equity firms of Leonard Green & Partners, L.P. and CVC Capital Partners. Pursuant to the terms of the Merger, each share of BJ Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **\$51.25 cash**, without interest, per BJ share. **The Merger became effective today, Friday, September 30, 2011.**

Contract Adjustment

Pursuant to Article VI, Section 11 and 11A of The Options Clearing Corporation's By-Laws, all outstanding BJ options shall be adjusted as follows. **As of Monday, October 3, 2011, each BJ's Wholesale Club, Inc. contract will be adjusted to require, upon exercise, the per-contract delivery or receipt of \$5,125.00 in cash.** Strike prices will remain the same, and the option symbol will remain **BJ**. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

Please be aware that trading in the adjusted BJ options will be suspended as of Monday, October 3, 2011. There will be no restrictions on the exercise of the adjusted BJ options.

Acceleration of Expirations

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to an acceleration of the expiration dates for outstanding option series.

All series of BJ's Wholesale Club, Inc. options whose expiration dates are after October 22, 2011 will have their expiration dates advanced to Saturday, October 22, 2011. Expiration dates occurring before October 22, 2011 (e.g., Flex options) will remain unchanged.

Questions regarding this memo can be addressed to Options Industry Services at 1-888-OPTIONS (1-888-678-4667). CBOE contract adjustment memos can also be accessed from CBOE.com at the following web address:

<http://www.cboe.com/ContractAdjustments>