TO: Members  
FROM: Scott Speer  
RE: Pixar ("PIXR/PQJ/ZER") Merger COMPLETED with The Walt Disney Company ("DIS/VDS/WDS")

Shareholders of Pixar ("PIXR/PQJ/ZER") approved a proposed Merger between PIXR and Lux Acquisition Corp., a wholly owned subsidiary of The Walt Disney Company ("DIS/VDS/WDS"). Pursuant to the terms of the Merger, each share of PIXR Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive 2.3 shares of DIS Common Stock. The Merger became effective today, Friday, May 5, 2006.

Contract Adjustments

Pursuant to Article VI, Section 11, of OCC's By-Laws, all outstanding PQJ/ZER options shall be adjusted as follows. On Monday, May 8, 2006, each adjusted Pixar contract will require the receipt or delivery of 230 shares of DIS Common Stock. Premiums for the adjusted Pixar options will continue to be calculated on the basis of a multiplier of 100, i.e., for premium and strike-price extensions, 1.00 will equal $100. The Pixar option symbols will change to PIB or ZJN, as the case may be. [Any FLEX series that may exist will be adjusted in a similar manner to the standardized option.]

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