



ITT CORPORATION (ITT) – 1 FOR 2 REVERSE SPLIT / SPIN OFF

DESCRIPTION:

NOTE: Prior to the contract adjustments noted below, the deliverable for ITT options contracts remains ITT Corporation Common (pre-reverse split) shares which are currently trading with due bills for the distributions described below.

ITT Corporation (ITT) has announced a **1-for-2 reverse split** and a **distribution of Exelis Inc. (XLS) Common Shares and Xylem Inc. (XYL) Common Shares**. The distribution ratio is 1 XLS Common Share and 1 XYL Common Share for each pre-reverse split ITT Common Share. The record date is Monday, October 17, 2011. The payable date is Monday, October 31, 2011. **The ex-distribution date for the reverse split and distribution will be Tuesday, November 1, 2011.**

Exelis Inc. (XLS) Common Shares and Xylem Inc. (XYL) Common Shares began trading on a when issued basis on October 13, 2011 on the New York Stock Exchange (NYSE) under symbols XLS WI and XYL WI, respectively.

Effective October 13, 2011, regular way trades made in ITT Corporation (pre-reverse shares) on NYSE will carry Due-Bills for the XLS and XYL distributions. Due bills will accompany ITT (pre-reverse) transactions made prior to November 1, 2011.

ITT Corporation (ITT) also began trading on a when issued on October 13, 2011 on NYSE under the symbol ITT WI to reflect the post 1-for-2 reverse split market. Trades made in symbol ITT WI will not carry Due-Bills for the XLS and XYL distributions.

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below ITT Corporation options will be adjusted as follows.

Adjustment Date:	Tuesday, November 1 2011
Option Symbol:	ITT becomes ITT1
Underlying Security:	ITT becomes ITT1
CUSIP:	ITT: 450911201, XLS: 30162A108, XYL: 98419M100
Contract Multiplier:	1
Strike Prices:	unchanged
New Multiplier:	100 (e.g. Premium of 1.00 = \$100)
New Deliverable:	1) 50 (New) ITT Corporation (ITT) Common Shares 2) 100 (New) Exelis Inc. (XLS) Common Shares 3) 100 (New) Xylem Inc. (XYL) Common Shares

GTC Order Cancellation:

On Monday, October 31, 2011, immediately after the BOX close, all resting orders for ITT in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the adjusted ITT1 series, the BOX Participant will need to reenter the orders before the open on Tuesday, November 1, 2011.

Pricing Considerations: The underlying price for ITT1 will be determined as follows:

$$ITT1 = .50(ITT) + XLS + XYL$$

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
ITT	C/P	27.50	11/19/2011	ITT1	C/P	27.50	11/19/2011

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
ITT	C/P	30.00	11/19/2011	ITT1	C/P	30.00	11/19/2011
ITT	C/P	32.50	11/19/2011	ITT1	C/P	32.50	11/19/2011
ITT	C/P	35.00	11/19/2011	ITT1	C/P	35.00	11/19/2011
ITT	C/P	37.50	11/19/2011	ITT1	C/P	37.50	11/19/2011
ITT	C/P	40.00	11/19/2011	ITT1	C/P	40.00	11/19/2011
ITT	C/P	42.50	11/19/2011	ITT1	C/P	42.50	11/19/2011
ITT	C/P	45.00	11/19/2011	ITT1	C/P	45.00	11/19/2011
ITT	C/P	47.50	11/19/2011	ITT1	C/P	47.50	11/19/2011
ITT	C/P	50.00	11/19/2011	ITT1	C/P	50.00	11/19/2011
ITT	C/P	55.00	11/19/2011	ITT1	C/P	55.00	11/19/2011
ITT	C/P	32.50	12/17/2011	ITT1	C/P	32.50	12/17/2011
ITT	C/P	35.00	12/17/2011	ITT1	C/P	35.00	12/17/2011
ITT	C/P	37.50	12/17/2011	ITT1	C/P	37.50	12/17/2011
ITT	C/P	40.00	12/17/2011	ITT1	C/P	40.00	12/17/2011
ITT	C/P	42.50	12/17/2011	ITT1	C/P	42.50	12/17/2011
ITT	C/P	45.00	12/17/2011	ITT1	C/P	45.00	12/17/2011
ITT	C/P	47.50	12/17/2011	ITT1	C/P	47.50	12/17/2011
ITT	C/P	50.00	12/17/2011	ITT1	C/P	50.00	12/17/2011
ITT	C/P	52.50	12/17/2011	ITT1	C/P	52.50	12/17/2011
ITT	C/P	55.00	12/17/2011	ITT1	C/P	55.00	12/17/2011
ITT	C/P	22.50	01/21/2012	ITT1	C/P	22.50	01/21/2012
ITT	C/P	25.00	01/21/2012	ITT1	C/P	25.00	01/21/2012
ITT	C/P	27.50	01/21/2012	ITT1	C/P	27.50	01/21/2012
ITT	C/P	30.00	01/21/2012	ITT1	C/P	30.00	01/21/2012
ITT	C/P	32.50	01/21/2012	ITT1	C/P	32.50	01/21/2012
ITT	C/P	35.00	01/21/2012	ITT1	C/P	35.00	01/21/2012
ITT	C/P	37.50	01/21/2012	ITT1	C/P	37.50	01/21/2012
ITT	C/P	40.00	01/21/2012	ITT1	C/P	40.00	01/21/2012
ITT	C/P	42.50	01/21/2012	ITT1	C/P	42.50	01/21/2012
ITT	C/P	45.00	01/21/2012	ITT1	C/P	45.00	01/21/2012
ITT	C/P	47.50	01/21/2012	ITT1	C/P	47.50	01/21/2012
ITT	C/P	50.00	01/21/2012	ITT1	C/P	50.00	01/21/2012
ITT	C/P	52.50	01/21/2012	ITT1	C/P	52.50	01/21/2012
ITT	C/P	55.00	01/21/2012	ITT1	C/P	55.00	01/21/2012
ITT	C/P	57.50	01/21/2012	ITT1	C/P	57.50	01/21/2012
ITT	C/P	60.00	01/21/2012	ITT1	C/P	60.00	01/21/2012
ITT	C/P	62.50	01/21/2012	ITT1	C/P	62.50	01/21/2012
ITT	C/P	65.00	01/21/2012	ITT1	C/P	65.00	01/21/2012
ITT	C/P	67.50	01/21/2012	ITT1	C/P	67.50	01/21/2012
ITT	C/P	70.00	01/21/2012	ITT1	C/P	70.00	01/21/2012
ITT	C/P	75.00	01/21/2012	ITT1	C/P	75.00	01/21/2012
ITT	C/P	80.00	01/21/2012	ITT1	C/P	80.00	01/21/2012
ITT	C/P	22.50	04/21/2012	ITT1	C/P	22.50	04/21/2012
ITT	C/P	25.00	04/21/2012	ITT1	C/P	25.00	04/21/2012
ITT	C/P	27.50	04/21/2012	ITT1	C/P	27.50	04/21/2012

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
ITT	C/P	30.00	04/21/2012	ITT1	C/P	30.00	04/21/2012
ITT	C/P	32.50	04/21/2012	ITT1	C/P	32.50	04/21/2012
ITT	C/P	35.00	04/21/2012	ITT1	C/P	35.00	04/21/2012
ITT	C/P	37.50	04/21/2012	ITT1	C/P	37.50	04/21/2012
ITT	C/P	40.00	04/21/2012	ITT1	C/P	40.00	04/21/2012
ITT	C/P	42.50	04/21/2012	ITT1	C/P	42.50	04/21/2012
ITT	C/P	45.00	04/21/2012	ITT1	C/P	45.00	04/21/2012
ITT	C/P	47.50	04/21/2012	ITT1	C/P	47.50	04/21/2012
ITT	C/P	50.00	04/21/2012	ITT1	C/P	50.00	04/21/2012
ITT	C/P	52.50	04/21/2012	ITT1	C/P	52.50	04/21/2012
ITT	C/P	55.00	04/21/2012	ITT1	C/P	55.00	04/21/2012
ITT	C/P	60.00	04/21/2012	ITT1	C/P	60.00	04/21/2012
ITT	C/P	65.00	04/21/2012	ITT1	C/P	65.00	04/21/2012
ITT	C/P	70.00	04/21/2012	ITT1	C/P	70.00	04/21/2012
ITT	C/P	22.50	01/19/2013	ITT1	C/P	22.50	01/19/2013
ITT	C/P	25.00	01/19/2013	ITT1	C/P	25.00	01/19/2013
ITT	C/P	27.50	01/19/2013	ITT1	C/P	27.50	01/19/2013
ITT	C/P	30.00	01/19/2013	ITT1	C/P	30.00	01/19/2013
ITT	C/P	32.50	01/19/2013	ITT1	C/P	32.50	01/19/2013
ITT	C/P	35.00	01/19/2013	ITT1	C/P	35.00	01/19/2013
ITT	C/P	37.50	01/19/2013	ITT1	C/P	37.50	01/19/2013
ITT	C/P	40.00	01/19/2013	ITT1	C/P	40.00	01/19/2013
ITT	C/P	42.50	01/19/2013	ITT1	C/P	42.50	01/19/2013
ITT	C/P	45.00	01/19/2013	ITT1	C/P	45.00	01/19/2013
ITT	C/P	47.50	01/19/2013	ITT1	C/P	47.50	01/19/2013
ITT	C/P	50.00	01/19/2013	ITT1	C/P	50.00	01/19/2013
ITT	C/P	52.50	01/19/2013	ITT1	C/P	52.50	01/19/2013
ITT	C/P	55.00	01/19/2013	ITT1	C/P	55.00	01/19/2013
ITT	C/P	57.50	01/19/2013	ITT1	C/P	57.50	01/19/2013
ITT	C/P	60.00	01/19/2013	ITT1	C/P	60.00	01/19/2013
ITT	C/P	65.00	01/19/2013	ITT1	C/P	65.00	01/19/2013
ITT	C/P	70.00	01/19/2013	ITT1	C/P	70.00	01/19/2013
ITT	C/P	25.00	01/18/2014	ITT1	C/P	25.00	01/18/2014
ITT	C/P	30.00	01/18/2014	ITT1	C/P	30.00	01/18/2014
ITT	C/P	35.00	01/18/2014	ITT1	C/P	35.00	01/18/2014
ITT	C/P	40.00	01/18/2014	ITT1	C/P	40.00	01/18/2014
ITT	C/P	45.00	01/18/2014	ITT1	C/P	45.00	01/18/2014
ITT	C/P	50.00	01/18/2014	ITT1	C/P	50.00	01/18/2014
ITT	C/P	55.00	01/18/2014	ITT1	C/P	55.00	01/18/2014
ITT	C/P	60.00	01/18/2014	ITT1	C/P	60.00	01/18/2014
ITT	C/P	65.00	01/18/2014	ITT1	C/P	65.00	01/18/2014

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.