

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Listings Administration
 Date: April 8, 2008
 Re: **Telecomunicacoes Brasileiras SA (TBH) - Stock Distribution**

Telecomunicacoes Brasileiras SA (TBH) has declared a distribution of ADS's of Telemig Celular Participacoes S.A. (TMB) to TBH shareholders of record, April 11, 2008. Distribution will be on a date to be announced. The distribution will be .05 shares of Telemig Celular Participacoes S.A. per share of Telecomunicacoes Brasileiras SA held.

The NYSE has set the ex-distribution date as April 9, 2008.

Accordingly, pursuant to OCC By-Laws, all TBH options on the ex-distribution date must be adjusted as follows:

Adjustment Date: **Effective Wednesday, April 9, 2008.**
 Symbol(s): **TBH becomes TBW**
 Strike Price: Unchanged
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)
 New Deliverable: **1) 100 Telecomunicacoes Brasileiras SA ADS's (TBH)**
2) 5 Telemig Celular Participacoes S.A. ADS's (TBW)

GOOD-TILL-CANCELLED (GTC) ORDERS

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Telecomunicacoes Brasileiras SA (TBH) (Before 4/9/2008) (100 shrs TBH)					Telecomunicacoes Brasileiras SA (TBW) (Beginning 4/9/2008) (See new deliverable above)				
			Calls	Puts				Calls	Puts
TBH	APR	15	DC	PC	TBW	APR	15	DC	PC
TBH	APR	17 1/2	DW	PW	TBW	APR	17 1/2	DW	PW
TBH	APR	20	DD	PD	TBW	APR	20	DD	PD
TBH	APR	22 1/2	DX	PX	TBW	APR	22 1/2	DX	PX
TBH	APR	25	DE	PE	TBW	APR	25	DE	PE
TBH	APR	30	DF	PF	TBW	APR	30	DF	PF
TBH	MAY	17 1/2	EW	QW	TBW	MAY	17 1/2	EW	QW
TBH	MAY	20	ED	QD	TBW	MAY	20	ED	QD
TBH	MAY	22 1/2	EX	QX	TBW	MAY	22 1/2	EX	QX
TBH	MAY	25	EE	QE	TBW	MAY	25	EE	QE
TBH	MAY	30	EF	QF	TBW	MAY	30	EF	QF
TBH	JUL	17 1/2	GW	SW	TBW	JUL	17 1/2	GW	SW
TBH	JUL	20	GD	SD	TBW	JUL	20	GD	SD
TBH	JUL	22 1/2	GX	SX	TBW	JUL	22 1/2	GX	SX
TBH	JUL	25	GE	SE	TBW	JUL	25	GE	SE
TBH	JUL	30	GF	SF	TBW	JUL	30	GF	SF
TBH	OCT	17 1/2	JW	VW	TBW	OCT	17 1/2	JW	VW
TBH	OCT	20	JD	VD	TBW	OCT	20	JD	VD
TBH	OCT	22 1/2	JX	VX	TBW	OCT	22 1/2	JX	VX
TBH	OCT	25	JE	VE	TBW	OCT	25	JE	VE
TBH	OCT	30	JF	VF	TBW	OCT	30	JF	VF

The new TBH option contracts representing 100 shares of TBH, will be admitted to trading on Thursday, April 10, 2008. Strike prices and expiration months will be announced on a separate release prior to that date.

Questions regarding this release may be directed to Listings Administration at 1-800-THE-PHLX, choice #2, or (215) 496-5380.