



## **SERIES ADJUSTMENT - 1423-08**

**July 22, 2008**

### **Telecomunicacoes Brasileiras (TBH) - Distribution - EFFECTIVE**

#### **Spin Off Distribution**

**Ex-Distribution Date: 7/24/2008**

Telecomunicacoes Brasileiras(TBH) has declared a distribution of ADS of Tele Norte Celular Participacoes S.A.(TCN) to TBH shareholders of record Monday, July 28, 2008.The distribution will be 0.02 TCN ADS's for each TBH ADS held.

**Ex-distribution is Thursday, July 24, 2008.**

#### **Contract Adjustments:**

Pursuant to the by-laws of The Options Clearing Corporation ("OCC"), all Telecomunicacoes Brasileiras options will be adjusted as follows:

<b>Adjustment Date:</b>	Thursday, July 24, 2008
<b>PHLX Underlying Symbol(s):</b>	Unchanged - TBH
<b>OPRA Option Symbol(s):</b>	TBH becomes TBE
<b>No. Of Contracts :</b>	Unchanged
<b>Strike Prices:</b>	Unchanged
<b>Multiplier:</b>	100 (e.g. Premium of 1.00 = \$100)
<b>New Deliverable/Contract:</b>	<b>1) 100 TELECOMUNICACOES BRASILEIRAS (TBH) ADS's</b> <b>2) 2 Tele Norte Celular Participacoes S.A.(TCN) ADS's</b>

#### **Deliverable For Previously Adjusted TBW Options:**

- 1) 100 TELECOMUNICACOES BRASILEIRAS (TBH) ADS's**
- 2) 2 Tele Norte Celular Participacoes S.A.(TCN) ADS's**
- 3) 5 Telemig Celular Participacoes S.A.(TMB) ADS's**

#### **GTC Order Cancellation:**

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.

#### **Unadjusted New Shares:**

New TBH series with a contract unit of 100 shares will be introduced on Friday, July 25, 2008

Strike prices and expiration months will be announced on a separate release.

#### **Adjusted Exercise Prices:**

Effective with the opening of business on Thursday, July 24, 2008, trading in TBH series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series.

**Any additional TBH series added prior to the effective date will also be adjusted in the manner outlined below.**

TELECOMUNICACOES BRASILEIRAS(TBH/TBH)  
 (Before 7/24/2008)  
 100 shrs TBH

TELECOMUNICACOES BRASILEIRAS(TBH/TBE)  
 (Beginning 7/24/2008)  
**See New Deliverable Above**

<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>PHLX Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TBH8Aug17.5C/P	TBH	Aug	17.5	HW/TW	TBE8Aug17.5C/P	TBE	Aug	17.5	HW/TW
TBH8Aug20.0C/P	TBH	Aug	20	HD/TD	TBE8Aug20.0C/P	TBE	Aug	20	HD/TD
TBH8Aug22.5C/P	TBH	Aug	22.5	HX/TX	TBE8Aug22.5C/P	TBE	Aug	22.5	HX/TX
TBH8Sep17.5C/P	TBH	Sep	17.5	IW/UW	TBE8Sep17.5C/P	TBE	Sep	17.5	IW/UW
TBH8Sep20.0C/P	TBH	Sep	20	ID/UD	TBE8Sep20.0C/P	TBE	Sep	20	ID/UD
TBH8Sep22.5C/P	TBH	Sep	22.5	IX/UX	TBE8Sep22.5C/P	TBE	Sep	22.5	IX/UX
TBH9Oct20.0C/P	TBH	Oct	20	JD/VD	TBE9Oct20.0C/P	TBE	Oct	20	JD/VD
TBH9Oct22.5C/P	TBH	Oct	22.5	JX/VX	TBE9Oct22.5C/P	TBE	Oct	22.5	JX/VX
TBH9Oct25.0C/P	TBH	Oct	25	JE/VE	TBE9Oct25.0C/P	TBE	Oct	25	JE/VE
TBH9Oct30.0C/P	TBH	Oct	30	JF/VF	TBE9Oct30.0C/P	TBE	Oct	30	JF/VF
TBH9Jan17.5C/P	TBH	Jan	17.5	AW/MW	TBE9Jan17.5C/P	TBE	Jan	17.5	AW/MW
TBH9Jan20.0C/P	TBH	Jan	20	AD/MD	TBE9Jan20.0C/P	TBE	Jan	20	AD/MD
TBH9Jan22.5C/P	TBH	Jan	22.5	AX/MX	TBE9Jan22.5C/P	TBE	Jan	22.5	AX/MX
TBH9Jan25.0C/P	TBH	Jan	25	AE/ME	TBE9Jan25.0C/P	TBE	Jan	25	AE/ME

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