

MEMORANDUM

TO: All Option Members, Member Organizations and ROTs
 FROM: Market Watch
 DATE: July 10, 2007
 RE: **PHLX Medical Devices Index (MXZSM) - Components and Specifications**

The following information pertains to the PHLX Medical Devices Index (MXZSM), which is scheduled to begin trading on the PHLX on Wednesday, July 11, 2007.

PHLX Medical Devices Index (MXZSM)

Symbol: **MXZ**
 Alternate Symbol: DYJ
 2.5 Strike Symbol: DYK
 Settlement Symbol: DXW
 Settlement Value: Based on the **opening** prices of the component stocks on the last trading day prior to expiration
 Position/Exercise Limits: 31,500 contracts
 Exercise Style: European
 Trading Hours: 9:30 a.m. to 4:00 p.m., EST
 Calculation method: Equal-dollar weighted
 CUSIP Number: 693-334-104
Index Divisor: **680.0384**

<u>STOCK SYMBOL</u>	<u>COMPANY NAME</u>	<u>COMPONENT SHARES</u>
AMMD	AMERICAN MED SYSTEMS HOLDING	550
ARTC	ARTHROCARE CORP	229
BMET	BIOMET INC	220
BSX	BOSTON SCIENTIFC CORP	611
EVVV	EV3 INC	579
EW	EDWARDS LIFESCIENCES CORP	203
HAE	HAEMONETICS CORP	189
ISRG	INTUITIVE SURGICAL INC	71
KYPH	KYPHON INC	200
MDT	MEDTRONIC INC	191
NUVA	NUVASIVE INC	377
PSSI	PSS WORLD MEDICAL INC	540
RMD	RESMED INC	228
STJ	ST JUDE MEDICAL INC	227
SYK	STRYKER CORP	151
THOR	THORATEC CORP	519
ZMH	ZIMMER HOLDINGS INC	116

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2,

or (215) 496-5380.