

To: All Option Members, Member Organizations & ROTs
 From: Market Watch
 Date: July 20, 2007
 Subject: PHLX Medical Devices IndexSM (MXZSM) Quarterly Rebalancing

The Philadelphia Stock Exchange, Inc. (PHLX) has determined to make the following changes to the PHLX Medical Devices IndexSM (MXZSM), before the open of business on Monday, July 23, 2007.

<u>Company Name</u>	<u>Stock Symbol</u>	<u>Shares</u>
American Med Systems Holding	AMMD	511
Arthrocare Corp.	ARTC	220
Biomet Inc.	BMET	220
Boston Scientific	BSX	676
EV3 Inc.	EVVV	626
Edwards Life	EW	200
Haemonetics Corp.	HAE	198
Intuitive Surgical Inc.	ISRG	50
Kyphon Inc.	KYPH	182
Medtronic Inc.	MDT	193
Nuvasive Inc.	NUVA	368
PSS World Medical Inc.	PSSI	606
Resmed Inc.	RMD	241
St. Jude Medical	STJ	222
Stryker Corp.	SYK	149
Thoratec Corp.	THOR	494
Zimmer Holdings	ZMH	114

The revised MXZSM divisor is: **664.9100**

Questions concerning this release should be directed to Market Watch at 1-800-THE-PHLX, choice #2 or (215) 496-1508.