

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs

FROM: Market Watch

DATE: June 6, 2007

RE: **Upcoming change in the PHLX Semiconductor SectorSM (SOX)SM**

Please be advised that Taiwan Semiconductor Manufacturing Company Ltd. (TSM), a component of the PHLX Semiconductor Sector, will incur a 0.49991748% stock dividend effective Friday, June 8, 2007. Due to the price adjustment in TSM, the SOXSM divisor will be adjusted prior to the opening of business on Friday, June 8, 2007:

The revised SOXSM divisor will be announced on a separate release following the close of business on Thursday, June 7, 2007.

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