

MEMORANDUM

TO: All Option Members, Member Organizations & ROTs

FROM: Market Watch

DATE: June 6, 2007

RE: **Upcoming change in the PHLX Semiconductor Sector<sup>SM</sup> (SOX)<sup>SM</sup>**

---

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 SOX<sup>SM</sup> divisor will be adjusted prior to the opening of business on Friday, June 8, 2007:

**The revised SOX<sup>SM</sup> divisor : 0.9956813**

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