

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: November 12, 2007
 Re: **Regional Bank HOLDRs Trust (RKH) - Stock Distribution**

Regional Bank HOLDRs Trust (RKH) has declared a distribution of Common Stock of Metavante Technologies Inc. (MV) to RKH shareholders of record, November 15, 2007. Distribution will be Monday, November 19, 2007. **The AMEX has set the ex-distribution date as November 13, 2007.** The distribution will be 0.02 shares of Metavante Technologies Inc. per share of Regional Bank HOLDRs Trust.

Accordingly, pursuant to OCC By-Laws, all RKH options on the ex-distribution date must be adjusted as follows:

Adjustment Date: **Effective Tuesday, November 13, 2007.**
 Symbol(s): **RKH/OSF/WJF becomes NZP/ONL/LMG**
 Strike Price: Unchanged
 Multiplier: 100 (e.g., Premium of 1.00 = \$100)
 New Deliverable: **1) 100 Shares of Regional Bank HOLDRs Trust (RKH)**
2) 2 Shares of Metavante Technologies Inc. (MV)

GOOD-TILL-CANCELLED (GTC) ORDERS

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.

Regional Bank HOLDRs Trust (RKH)					Regional Bank HOLDRs Trust (NZP)				
(Before 11/13/2007)					(Beginning 11/13/2007)				
(100 shrs RKH)					(See new deliverable above)				
			Calls	Puts				Calls	Puts
RKH	NOV	115	KC	WC	NZP	NOV	115	KC	WC
RKH	NOV	120	KD	WD	NZP	NOV	120	KD	WD
RKH	NOV	125	KE	WE	NZP	NOV	125	KE	WE
RKH	NOV	130	KF	WF	NZP	NOV	130	KF	WF
RKH	NOV	135	KG	WG	NZP	NOV	135	KG	WG
RKH	NOV	140	KH	WH	NZP	NOV	140	KH	WH
RKH	NOV	145	KI	WI	NZP	NOV	145	KI	WI
RKH	NOV	150	KJ	WJ	NZP	NOV	150	KJ	WJ
RKH	NOV	155	KK	WK	NZP	NOV	155	KK	WK
RKH	NOV	160	KL	WL	NZP	NOV	160	KL	WL
RKH	NOV	165	KM	WM	NZP	NOV	165	KM	WM
RKH	NOV	170	KN	WN	NZP	NOV	170	KN	WN
RKH	NOV	175	KO	WO	NZP	NOV	175	KO	WO
RKH	NOV	180	KP	WP	NZP	NOV	180	KP	WP
RKH	NOV	185	KQ	WQ	NZP	NOV	185	KQ	WQ
RKH	DEC	110	LB	XB	NZP	DEC	110	LB	XB
RKH	DEC	115	LC	XC	NZP	DEC	115	LC	XC
RKH	DEC	120	LD	XD	NZP	DEC	120	LD	XD
RKH	DEC	125	LE	XE	NZP	DEC	125	LE	XE
RKH	DEC	130	LF	XF	NZP	DEC	130	LF	XF
RKH	DEC	135	LG	XG	NZP	DEC	135	LG	XG
RKH	DEC	140	LH	XH	NZP	DEC	140	LH	XH
RKH	DEC	145	LI	XI	NZP	DEC	145	LI	XI
RKH	DEC	150	LJ	XJ	NZP	DEC	150	LJ	XJ
RKH	DEC	155	LK	XX	NZP	DEC	155	LK	XX

RKH	JAN	115	AC	MC	NZP	JAN	115	AC	MC
RKH	JAN	120	AD	MD	NZP	JAN	120	AD	MD
RKH	JAN	125	AE	ME	NZP	JAN	125	AE	ME
RKH	JAN	130	AF	MF	NZP	JAN	130	AF	MF
RKH	JAN	135	AG	MG	NZP	JAN	135	AG	MG
RKH	JAN	140	AH	MH	NZP	JAN	140	AH	MH
RKH	JAN	145	AI	MI	NZP	JAN	145	AI	MI
RKH	JAN	150	AJ	MJ	NZP	JAN	150	AJ	MJ
RKH	JAN	155	AK	MK	NZP	JAN	155	AK	MK
RKH	JAN	160	AL	ML	NZP	JAN	160	AL	ML
RKH	JAN	165	AM	MM	NZP	JAN	165	AM	MM
RKH	JAN	170	AN	MN	NZP	JAN	170	AN	MN
RKH	JAN	175	AO	MO	NZP	JAN	175	AO	MO
RKH	JAN	180	AP	MP	NZP	JAN	180	AP	MP
RKH	JAN	185	AQ	MQ	NZP	JAN	185	AQ	MQ
RKH	FEB	105	BA	NA	NZP	FEB	105	BA	NA
RKH	FEB	110	BB	NB	NZP	FEB	110	BB	NB
RKH	FEB	115	BC	NC	NZP	FEB	115	BC	NC
RKH	FEB	120	BD	ND	NZP	FEB	120	BD	ND
RKH	FEB	125	BE	NE	NZP	FEB	125	BE	NE
RKH	FEB	130	BF	NF	NZP	FEB	130	BF	NF
RKH	FEB	135	BG	NG	NZP	FEB	135	BG	NG
RKH	FEB	140	BH	NH	NZP	FEB	140	BH	NH
RKH	FEB	145	BI	NI	NZP	FEB	145	BI	NI
RKH	FEB	150	BJ	NJ	NZP	FEB	150	BJ	NJ
RKH	FEB	155	BK	NK	NZP	FEB	155	BK	NK
RKH	FEB	160	BL	NL	NZP	FEB	160	BL	NL
RKH	FEB	165	BM	NM	NZP	FEB	165	BM	NM
RKH	FEB	170	BN	NN	NZP	FEB	170	BN	NN
RKH	FEB	175	BO	NO	NZP	FEB	175	BO	NO
RKH	FEB	180	BP	NP	NZP	FEB	180	BP	NP
RKH	MAY	115	EC	QC	NZP	MAY	115	EC	QC
RKH	MAY	120	ED	QD	NZP	MAY	120	ED	QD
RKH	MAY	125	EE	QE	NZP	MAY	125	EE	QE
RKH	MAY	130	EF	QF	NZP	MAY	130	EF	QF
RKH	MAY	135	EG	QG	NZP	MAY	135	EG	QG
RKH	MAY	140	EH	QH	NZP	MAY	140	EH	QH
RKH	MAY	145	EI	QI	NZP	MAY	145	EI	QI
RKH	MAY	150	EJ	QJ	NZP	MAY	150	EJ	QJ
RKH	MAY	155	EK	QK	NZP	MAY	155	EK	QK
RKH	MAY	160	EL	QL	NZP	MAY	160	EL	QL
RKH	MAY	165	EM	QM	NZP	MAY	165	EM	QM
RKH	MAY	170	EN	QN	NZP	MAY	170	EN	QN

Regional Bank HOLDRs Trust - 2009 Leap (OSF)
 (Before 11/13/2007)
 (100 shrs RKH)

			Calls	Put
OSF	JAN	90	AX	MX
OSF	JAN	100	AT	MT
OSF	JAN	110	AB	MB
OSF	JAN	130	AF	MF
OSF	JAN	140	AH	MH
OSF	JAN	150	AJ	MJ
OSF	JAN	160	AL	ML
OSF	JAN	170	AN	MN
OSF	JAN	180	AP	MP
OSF	JAN	190	AR	MR

Regional Bank HOLDRs Trust - 2009 Leap (ONL)
 (Beginning 11/13/2007)
 (See new deliverable above)

			Calls	Put
ONL	JAN	90	AX	MX
ONL	JAN	100	AT	MT
ONL	JAN	110	AB	MB
ONL	JAN	130	AF	MF
ONL	JAN	140	AH	MH
ONL	JAN	150	AJ	MJ
ONL	JAN	160	AL	ML
ONL	JAN	170	AN	MN
ONL	JAN	180	AP	MP
ONL	JAN	190	AR	MR

Regional Bank HOLDRs Trust - 2010 Leap (WJF)
 (Before 11/13/2007)
 (100 shrs RKH)

			Calls	Put
WJF	JAN	100	AT	MT
WJF	JAN	110	AB	MB
WJF	JAN	120	AD	MD
WJF	JAN	130	AF	MF
WJF	JAN	140	AH	MH
WJF	JAN	150	AJ	MJ
WJF	JAN	160	AL	ML
WJF	JAN	170	AN	MN
WJF	JAN	180	AP	MP
WJF	JAN	190	AR	MR

Regional Bank HOLDRs Trust - 2010 Leap (LMG)
 (Beginning 11/13/2007)
 (See new deliverable above)

			Calls	Put
LMG	JAN	100	AT	MT
LMG	JAN	110	AB	MB
LMG	JAN	120	AD	MD
LMG	JAN	130	AF	MF
LMG	JAN	140	AH	MH
LMG	JAN	150	AJ	MJ
LMG	JAN	160	AL	ML
LMG	JAN	170	AN	MN
LMG	JAN	180	AP	MP
LMG	JAN	190	AR	MR

Any additional RKH series that are added prior to the ex-date will also be adjusted in the manner described above.

The new RKH option contracts representing 100 shares of RKH, will be admitted to trading on Wednesday, November 14, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

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