



Memo #: 2515-07

MEMORANDUM

TO: All Option Members, Member Organizations and ROTs

FROM: Market Watch

DATE: October 12, 2007

RE: **Adjusted Semiconductor HOLDRs (JUO/XCL/WZP/WRQ/ZTQ)
Closing Transactions Only**

Maxim Integrated Products, Inc. (MXIM) was suspended from trading on the NASDAQ following the close of business on Monday, October 1, 2007 and all MXIM options series (XIQ) were limited to customer closing transactions only. Also, Semiconductor HOLDRS (SMH) declared a distribution of 0.05 MXIM shares to its holders with an ex-distribution date of Friday, October 12, 2007 (see PHLX Memo: 2491-07).

Therefore, the Philadelphia Stock Exchange (PHLX) has determined to limit activity to closing customer transactions only in all JUO/XCL/WZP/WRQ/ZTQ option series due to MXIM trading on the OTC Bulletin Board.

All non-AUTOM opening orders must be manually cancelled. GTC AUTOM orders will be deleted by the PHLX Service Desk/AUTOM personnel.

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