

To: All Option Members, Member Organizations & ROTs  
From: Market Watch  
Date: October 19, 2007  
Subject: PHLX Medical Devices Index<sup>SM</sup> (MXZ<sup>SM</sup>) Quarterly  
Rebalancing

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The Philadelphia Stock Exchange, Inc. (PHLX) has determined to make the following changes to the PHLX Medical Devices Index<sup>SM</sup> (MXZ<sup>SM</sup>), before the open of business on Monday, October 22, 2007.

<u>Company Name</u>	<u>Stock Symbol</u>	<u>Shares</u>
<b>American Med Systems Holding</b>	<b>AMMD</b>	<b>582</b>
<b>Arthrocare Corp.</b>	<b>ARTC</b>	<b>177</b>
<b>Boston Scientific</b>	<b>BSX</b>	<b>693</b>
<b>EV3 Inc.</b>	<b>EVVV</b>	<b>588</b>
<b>Edwards Life</b>	<b>EW</b>	<b>201</b>
<b>Haemonetics Corp.</b>	<b>HAE</b>	<b>201</b>
<b>Intuitive Surgical Inc.</b>	<b>ISRG</b>	<b>37</b>
<b>Kyphon Inc.</b>	<b>KYPH</b>	<b>142</b>
<b>Medtronic Inc.</b>	<b>MDT</b>	<b>211</b>
<b>Nuvasive Inc.</b>	<b>NUVA</b>	<b>282</b>
<b>PSS World Medical Inc.</b>	<b>PSSI</b>	<b>541</b>
<b>Resmed Inc.</b>	<b>RMD</b>	<b>250</b>
<b>St. Jude Medical</b>	<b>STJ</b>	<b>245</b>
<b>Stryker Corp.</b>	<b>SYK</b>	<b>139</b>
<b>Thoratec Corp.</b>	<b>THOR</b>	<b>495</b>
<b>Zimmer Holdings</b>	<b>ZMH</b>	<b>125</b>

The revised MXZ<sup>SM</sup> divisor is: **591.9703**

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

