

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: September 6, 2007
 Re: **Companhia Vale do Rio Doce (RIO) - 2 for 1 Stock Split**

Companhia Vale do Rio Doce (RIO) has declared a 2 for 1 stock split payable to share holders of record on Wednesday, September 5, 2007. Distribution date for the stock split will be Wednesday, September 12, 2007. **Ex-distribution date for the stock split will be Thursday, September 13, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional RIO option contract for each option contract held. Further, on the ex-distribution date each RIO series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each RIO series existing on the business day preceding the ex-distribution date. For example, beginning on Thursday, September 13, 2007 an account holding (2) RIO SEP 20 calls (RIO ID) will hold (4) RIO SEP 10 calls (RIO IB). Customers should be advised that (1) contract in the adjusted RIO series will still represent 100 shares of RIO common shares.

POSITION/EXERCISE LIMITS:

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 16, 2010

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.

The resulting list of adjusted strike prices and symbols is as follows:

Companhia Vale do Rio Doce (RIO) (Before 9/13/2007) (1 Contract)					Companhia Vale do Rio Doce (RIO) (Beginning 9/13/2007) (2 Contracts)				
			Calls	Puts			Calls	Puts	
RIO	SEP	20	ID	UD	RIO	SEP	10	IB	UB
RIO	SEP	22 1/2	IX	UX	RIO	SEP	11 1/4	IL	UL
RIO	SEP	25	IE	UE	RIO	SEP	12 1/2	IM	UM
RIO	SEP	27 1/2	IY	UY	RIO	SEP	13 3/4	IN	UN
RIO	SEP	30	IF	UF	RIO	SEP	15	IC	UC
RIO	SEP	32 1/2	IZ	UZ	RIO	SEP	16 1/4	IO	UO
RIO	SEP	35	IG	UG	RIO	SEP	17 1/2	IW	UW
RIO	SEP	37 1/2	IU	UU	RIO	SEP	18 3/4	IP	UP
RIO	SEP	40	IH	UH	RIO	SEP	20	ID	UD
RIO	SEP	42 1/2	IT	UT	RIO	SEP	21 1/4	IQ	UQ
RIO	SEP	45	II	UI	RIO	SEP	22 1/2	IX	UX
RIO	SEP	47 1/2	IS	US	RIO	SEP	23 3/4	IR	UR
RIO	SEP	50	IJ	UJ	RIO	SEP	25	IE	UE
RIO	SEP	52 1/2	IA	UA	RIO	SEP	26 1/4	IS	US
RIO	SEP	55	IK	UK	RIO	SEP	27 1/2	IY	UY
RIO	SEP	57 1/2	IR	UR	RIO	SEP	28 3/4	IT	UT
RIO	SEP	60	IL	UL	RIO	SEP	30	IF	UF
RIO	SEP	65	IM	UM	RIO	SEP	32 1/2	IZ	UZ
RIO	OCT	30	JF	VF	RIO	OCT	15	JC	VC
RIO	OCT	32 1/2	JZ	VZ	RIO	OCT	16 1/4	JO	VO
RIO	OCT	35	JG	VG	RIO	OCT	17 1/2	JW	VW
RIO	OCT	37 1/2	JU	VU	RIO	OCT	18 3/4	JP	VP
RIO	OCT	40	JH	VH	RIO	OCT	20	JD	VD
RIO	OCT	42 1/2	JT	VT	RIO	OCT	21 1/4	JQ	VQ

Companhia Vale do Rio Doce (RIO)
(Before 9/13/2007)
(1 Contract)

			Calls	Puts
RIO	OCT	45	JI	VI
RIO	OCT	47 1/2	JS	VS
RIO	OCT	50	JJ	VJ
RIO	OCT	52 1/2	JA	VA
RIO	OCT	55	JK	VK
RIO	OCT	57 1/2	JR	VR
RIO	DEC	32 1/2	LZ	XZ
RIO	DEC	35	LG	XG
RIO	DEC	37 1/2	LU	XU
RIO	DEC	40	LH	XH
RIO	DEC	42 1/2	LT	XT
RIO	DEC	45	LI	XI
RIO	DEC	47 1/2	LS	XS
RIO	DEC	50	LJ	XJ
RIO	DEC	52 1/2	LA	XA
RIO	DEC	55	LK	XK
RIO	DEC	57 1/2	LR	XR
RIO	DEC	60	LL	XL
RIO	DEC	65	LM	XM
RIO	DEC	70	LN	XN
RIO	DEC	75	LO	XO
RIO	JAN	10	AB	MB
RIO	JAN	12 1/2	AV	MV
RIO	JAN	15	AC	MC
RIO	JAN	17 1/2	AW	MW
RIO	JAN	20	AD	MD
RIO	JAN	22 1/2	AX	MX
RIO	JAN	25	AE	ME
RIO	JAN	27 1/2	AY	MY
RIO	JAN	30	AF	MF
RIO	JAN	32 1/2	AZ	MZ
RIO	JAN	35	AG	MG
RIO	JAN	37 1/2	AU	MU
RIO	JAN	40	AH	MH
RIO	JAN	42 1/2	AT	MT
RIO	JAN	45	AI	MI
RIO	JAN	47 1/2	AS	MS
RIO	JAN	50	AJ	MJ
RIO	JAN	52 1/2	AA	MA
RIO	JAN	55	AK	MK
RIO	JAN	57 1/2	AR	MR
RIO	JAN	60	AL	ML
RIO	JAN	65	AM	MM
RIO	JAN	70	AN	MN
RIO	MAR	27 1/2	CY	OY
RIO	MAR	30	CF	OF
RIO	MAR	32 1/2	CZ	OZ
RIO	MAR	35	CG	OG
RIO	MAR	37 1/2	CU	OU
RIO	MAR	40	CH	OH
RIO	MAR	42 1/2	CT	OT

Companhia Vale do Rio Doce (RIO)
(Beginning 9/13/2007)
(2 Contracts)

			Calls	Puts
RIO	OCT	22 1/2	JX	VX
RIO	OCT	23 3/4	JR	VR
RIO	OCT	25	JE	VE
RIO	OCT	26 1/4	JS	VS
RIO	OCT	27 1/2	JY	VY
RIO	OCT	28 3/4	JT	VT
RIO	DEC	16 1/4	LO	XO
RIO	DEC	17 1/2	LW	XW
RIO	DEC	18 3/4	LP	XP
RIO	DEC	20	LD	XD
RIO	DEC	21 1/4	LQ	XQ
RIO	DEC	22 1/2	LX	XX
RIO	DEC	23 3/4	LR	XR
RIO	DEC	25	LE	XE
RIO	DEC	26 1/4	LS	XS
RIO	DEC	27 1/2	LY	XY
RIO	DEC	28 3/4	LT	XT
RIO	DEC	30	LF	XF
RIO	DEC	32 1/2	LZ	XZ
RIO	DEC	35	LG	XG
RIO	DEC	37 1/2	LU	XU
RIO	JAN	5	AA	MA
RIO	JAN	6 1/4	AI	MI
RIO	JAN	7 1/2	AJ	MJ
RIO	JAN	8 3/4	AK	MK
RIO	JAN	10	AB	MB
RIO	JAN	11 1/4	AL	ML
RIO	JAN	12 1/2	AM	MM
RIO	JAN	13 3/4	AN	MN
RIO	JAN	15	AC	MC
RIO	JAN	16 1/4	AO	MO
RIO	JAN	17 1/2	AW	MW
RIO	JAN	18 3/4	AP	MP
RIO	JAN	20	AD	MD
RIO	JAN	21 1/4	AQ	MQ
RIO	JAN	22 1/2	AX	MX
RIO	JAN	23 3/4	AR	MR
RIO	JAN	25	AE	ME
RIO	JAN	26 1/4	AS	MS
RIO	JAN	27 1/2	AY	MY
RIO	JAN	28 3/4	AT	MT
RIO	JAN	30	AF	MF
RIO	JAN	32 1/2	AZ	MZ
RIO	JAN	35	AG	MG
RIO	MAR	13 3/4	CN	ON
RIO	MAR	15	CC	OC
RIO	MAR	16 1/4	CO	OO
RIO	MAR	17 1/2	CW	OW
RIO	MAR	18 3/4	CP	OP
RIO	MAR	20	CD	OD
RIO	MAR	21 1/4	CQ	OQ

Companhia Vale do Rio Doce (RIO)
(Before 9/13/2007)
(1 Contract)

			Calls	Puts
RIO	MAR	45	CI	OI
RIO	MAR	47 1/2	CS	OS
RIO	MAR	50	CJ	OJ
RIO	MAR	52 1/2	CA	OA
RIO	MAR	55	CK	OK
RIO	MAR	57 1/2	CR	OR
RIO	MAR	60	CL	OL
RIO	MAR	65	CM	OM
RIO	MAR	70	CN	ON
RIO	MAR	75	CO	OO

Companhia Vale do Rio Doce (RIO)
(Beginning 9/13/2007)
(2 Contracts)

			Calls	Puts
RIO	MAR	22 1/2	CX	OX
RIO	MAR	23 3/4	CR	OR
RIO	MAR	25	CE	OE
RIO	MAR	26 1/4	CS	OS
RIO	MAR	27 1/2	CY	OY
RIO	MAR	28 3/4	CT	OT
RIO	MAR	30	CF	OF
RIO	MAR	32 1/2	CZ	OZ
RIO	MAR	35	CG	OG
RIO	MAR	37 1/2	CU	OU

Companhia Vale do Rio Doce - 2009 Leap (VOH)
(Before 9/13/2007)
(1 Contract)

			Calls	Put
VOH	JAN	15	AC	MC
VOH	JAN	17 1/2	AW	MW
VOH	JAN	20	AD	MD
VOH	JAN	22 1/2	AX	MX
VOH	JAN	25	AE	ME
VOH	JAN	27 1/2	AY	MY
VOH	JAN	30	AF	MF
VOH	JAN	32 1/2	AZ	MZ
VOH	JAN	35	AG	MG
VOH	JAN	37 1/2	AU	MU
VOH	JAN	40	AH	MH
VOH	JAN	42 1/2	AT	MT
VOH	JAN	45	AI	MI
VOH	JAN	47 1/2	AS	MS
VOH	JAN	50	AJ	MJ
VOH	JAN	52 1/2	AA	MA
VOH	JAN	55	AK	MK
VOH	JAN	60	AL	ML
VOH	JAN	65	AM	MM
VOH	JAN	70	AN	MN
VOH	JAN	75	AO	MO
VOH	JAN	80	AP	MP
VOH	JAN	85	AQ	MQ
VOH	JAN	90	AR	MR

Companhia Vale do Rio Doce - 2009 Leap (VOH)
(Beginning 9/13/2007)
(2 Contracts)

			Calls	Put
VOH	JAN	7 1/2	AJ	MJ
VOH	JAN	8 3/4	AK	MK
VOH	JAN	10	AB	MB
VOH	JAN	11 1/4	AL	ML
VOH	JAN	12 1/2	AM	MM
VOH	JAN	13 3/4	AN	MN
VOH	JAN	15	AC	MC
VOH	JAN	16 1/4	AO	MO
VOH	JAN	17 1/2	AW	MW
VOH	JAN	18 3/4	AP	MP
VOH	JAN	20	AD	MD
VOH	JAN	21 1/4	AQ	MQ
VOH	JAN	22 1/2	AX	MX
VOH	JAN	23 3/4	AR	MR
VOH	JAN	25	AE	ME
VOH	JAN	26 1/4	AS	MS
VOH	JAN	27 1/2	AY	MY
VOH	JAN	30	AF	MF
VOH	JAN	32 1/2	AZ	MZ
VOH	JAN	35	AG	MG
VOH	JAN	37 1/2	AU	MU
VOH	JAN	40	AH	MH
VOH	JAN	42 1/2	AV	MV
VOH	JAN	45	AI	MI

Companhia Vale do Rio Doce - 2010 Leap (YGJ)
(Before 9/13/2007)
(1 Contract)

			Calls	Put
YGJ	JAN	30	AF	MF
YGJ	JAN	40	AH	MH
YGJ	JAN	50	AJ	MJ
YGJ	JAN	60	AL	ML
YGJ	JAN	70	AN	MN

Companhia Vale do Rio Doce - 2010 Leap (YGJ)
(Beginning 9/13/2007)
(2 Contracts)

			Calls	Put
YGJ	JAN	15	AC	MC
YGJ	JAN	20	AD	MD
YGJ	JAN	25	AE	ME
YGJ	JAN	30	AF	MF
YGJ	JAN	35	AG	MG

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

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