

**SERIES ADJUSTMENTS 2001-003**  
**ONN INFORMATION CIRCULAR #107**  
**January 12, 2001**

**Telcom Semiconductor, Inc. (TLCM) Pending Merger with Microchip Technology Incorporated (MCHP)**

On Tuesday, January 16, 2001, the shareholders of Telcom Semiconductor, Inc. (TLCM) will vote to approve the proposed merger with Microchip Technology Incorporated (MCHP). If the merger is approved and consummated, each TLCM share will be converted into the right to receive between 0.43 to 0.56 shares of MCHP with cash in lieu of fractional shares of (MCHP).

**Pending Contract Adjustments**

Pursuant to Options Clearing Corporation (OCC) by-laws, all outstanding Telcom Semiconductor, Inc. options will be adjusted as follows:

**Adjustment Date:** Option changes anticipated to become effective on a date to be announced  
**ISE Underlying Symbol** No Change  
**OPRA Option Symbols:** TMU Becomes TTD  
**Strike Prices:** No Change  
**No. Of Contracts:** No Change  
**Multiplier:** 100\*(eg., Premium of 1.00 = \$100)  
**New Deliverable/Contract:** Between 43 and 56 Shares of Microchip Technologies Common Stock (MCHP) and CIL of fractional MCHP

*\*\*The foregoing is an unofficial summary of the terms of the Merger, prepared by the ISE for the convenience of its members. ISE accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

**GTC Order Cancellation:**

Immediately after the ISE close on the effective date of the merger, all resting orders in the TLCM order book will be cancelled.

**ADJUSTED EXERCISE PRICES:**

Effective with the opening of business, after the date the merger is consummated, trading in TLCM series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series. Any additional TLCM series added prior to the merger date will also be adjusted in the manner outlined below.

TelCom Semiconductor Inc. (TLCM)  
 (Before - Date To Be Announced)  
 100 shares TLCM

TelCom Semiconductor Inc. (TLCM)  
 (Beginning - Date To Be Announced)  
 (See New Deliverable Above)

ISE Series	OPRA	Month	Strike	Calls/Puts	ISE Series	OPRA	Month	Strike	Calls/Puts
TLCM1JAN7.5C/P	TMU	JAN	7 1/2	AU/MU	TLCM1JAN7.5CX/PX	TTD	JAN	7 1/2	AU/MU
TLCM1JAN10.0C/P	TMU	JAN	10	AB/MB	TLCM1JAN10.0CX/PX	TTD	JAN	10	AB/MB
TLCM1JAN12.5C/P	TMU	JAN	12 1/2	AV/MV	TLCM1JAN12.5CX/PX	TTD	JAN	12 1/2	AV/MV
TLCM1JAN15.0C/P	TMU	JAN	15	AC/MC	TLCM1JAN15.0CX/PX	TTD	JAN	15	AC/MC
TLCM1JAN17.5C/P	TMU	JAN	17 1/2	AW/MW	TLCM1JAN17.5CX/PX	TTD	JAN	17 1/2	AW/MW
TLCM1JAN20.0C/P	TMU	JAN	20	AD/MD	TLCM1JAN20.0CX/PX	TTD	JAN	20	AD/MD
TLCM1JAN22.5C/P	TMU	JAN	22 1/2	AX/MX	TLCM1JAN22.5CX/PX	TTD	JAN	22 1/2	AX/MX
TLCM1JAN25.0C/P	TMU	JAN	25	AE/ME	TLCM1JAN25.0CX/PX	TTD	JAN	25	AE/ME
TLCM1JAN30.0C/P	TMU	JAN	30	AF/MF	TLCM1JAN30.0CX/PX	TTD	JAN	30	AF/MF
TLCM1JAN35.0C/P	TMU	JAN	35	AG/MG	TLCM1JAN35.0CX/PX	TTD	JAN	35	AG/MG

TLCM1JAN40.0C/P	TMU	JAN	40	AH/MH	TLCM1JAN40.0CX/PX	TTD	JAN	40	AH/MH
TLCM1JAN45.0C/P	TMU	JAN	45	AI/MI	TLCM1JAN45.0CX/PX	TTD	JAN	45	AI/MI
TLCM1JAN50.0C/P	TMU	JAN	50	AJ/MJ	TLCM1JAN50.0CX/PX	TTD	JAN	50	AJ/MJ
TLCM1JAN55.0C/P	TMU	JAN	55	AK/MK	TLCM1JAN55.0CX/PX	TTD	JAN	55	AK/MK
TLCM1FEB10.0C/P	TMU	FEB	10	BB/NB	TLCM1FEB10.0CX/PX	TTD	FEB	10	BB/NB
TLCM1FEB12.5C/P	TMU	FEB	12 1/2	BV/NV	TLCM1FEB12.5CX/PX	TTD	FEB	12 1/2	BV/NV
TLCM1FEB15.0C/P	TMU	FEB	15	BC/NC	TLCM1FEB15.0CX/PX	TTD	FEB	15	BC/NC
TLCM1APR7.5C/P	TMU	APR	7 1/2	DU/PU	TLCM1APR7.5CX/PX	TTD	APR	7 1/2	DU/PU
TLCM1APR10.0C/P	TMU	APR	10	DB/PB	TLCM1APR10.0CX/PX	TTD	APR	10	DB/PB
TLCM1APR12.5C/P	TMU	APR	12 1/2	DV/PV	TLCM1APR12.5CX/PX	TTD	APR	12 1/2	DV/PV
TLCM1APR15.0C/P	TMU	APR	15	DC/PC	TLCM1APR15.0CX/PX	TTD	APR	15	DC/PC
TLCM1APR17.5C/P	TMU	APR	17 1/2	DW/PW	TLCM1APR17.5CX/PX	TTD	APR	17 1/2	DW/PW
TLCM1APR20.0C/P	TMU	APR	20	DD/PD	TLCM1APR20.0CX/PX	TTD	APR	20	DD/PD
TLCM1JUL10.0C/P	TMU	JUL	10	GB/SB	TLCM1JUL10.0CX/PX	TTD	JUL	10	GB/SB
TLCM1JUL12.5C/P	TMU	JUL	12 1/2	GV/SV	TLCM1JUL12.5CX/PX	TTD	JUL	12 1/2	GV/SV
TLCM1JUL15.0C/P	TMU	JUL	15	GC/SC	TLCM1JUL15.0CX/PX	TTD	JUL	15	GC/SC

Questions regarding this release may be directed to ISE Market Data Control at (212) 897-0252.