



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2002-007

ONN INFORMATION CIRCULAR # 291

February 5, 2002

Internet Infrastructure HOLDRs (IIH)

Stock Distribution

Ex-Distribution Date: 2/7/2002

Effective at the opening of business, Tuesday, January 22, 2002 USInternetworking Inc. (USIXQ), a component of the Internet Infrastructure Holders Trust (IIH) was delisted from trading on the Nasdaq. A distribution of 0.03 USIXQ share per each IIH share held will be made to shareholders of record 2/8/02. The ex-distribution date for the dividend is Wednesday, February 6,2002.

Contract Adjustments:

Pursuant to the by-laws of The Options Clearing Corporation ("OCC"), all Internet Infrastructure HOLDRs options will be adjusted as follows:

Adjustment Date: Effective with exercises of Wednesday, February 6, 2002 and thereafter.

ISE Underlying Symbol(s): IIH becomes HGL
BJH unchanged. AID unchanged

OPRA Option Symbol(s): IIH becomes HGL
BJH unchanged. AID unchanged

No. of Contracts: Unchanged

Multiplier: 100 (e.g., Premium of 1.00 = \$100)

New Deliverable/Contract: **HGL-** 100 Shares of IIH and 3 USIXQ Shares
BJH- 100 Shares of IIH and 3 Shares of USIXQ
AID- 100 Shares of IIIH, 12 Shares of EXDSQ, 80 cents, and 3 USIXQ Shares

GTC Order Cancellation:

On Wednesday, February 6, 2002, immediately after the ISE close, all resting orders in the IIH order book will be cancelled.

Unadjusted New Shares:

New IIH series with a contract unit of 100 shares will be introduced on Thursday, February 7, 2002. Strike prices and expiration months will be announced on a separate release.

Adjusted Exercise Prices:

On Thursday, February 7, 2002, the ex-distribution date, trading in IIH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional IIH series added prior to the ex-date will also be adjusted in the manner outlined below.

Internet Infrastructure HOLDRs (IIH) (Before 2/7/2002) (100 shrs IIH)					Internet Infrastructure HOLDRs (HGL) (Beginning 2/7/2002) (See New Deliverable Above)				
ISE Series	OPRA	Month	Strike	Calls/Puts	ISE Series	OPRA	Month	Strike	Calls/Puts
IIH2FEB5.0CX/PX	IIH	FEB	5	BA/NA	HGL2FEB5.0CX/PX	HGL	FEB	5	BA/NA
IIH2FEB7.5CX/PX	IIH	FEB	7 1/2	BU/NU	HGL2FEB7.5CX/PX	HGL	FEB	7 1/2	BU/NU
IIH2FEB10.0CX/PX	IIH	FEB	10	BB/NB	HGL2FEB10.0CX/PX	HGL	FEB	10	BB/NB

Internet Infrastructure HOLDRs (IIH)
 (Before 2/7/2002)
 (100 shrs IIH)

Internet Infrastructure HOLDRs (HGL)
 (Beginning 2/7/2002)
 (See New Deliverable Above)

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>	<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
IIH2MAR5.0CX/PX	IIH	MAR	5	CA/OA	HGL2MAR5.0CX/PX	HGL	MAR	5	CA/OA
IIH2MAR7.5CX/PX	IIH	MAR	7 1/2	CU/OU	HGL2MAR7.5CX/PX	HGL	MAR	7 1/2	CU/OU
IIH2MAR10.0CX/PX	IIH	MAR	10	CB/OB	HGL2MAR10.0CX/PX	HGL	MAR	10	CB/OB
IIH2MAR12.5CX/PX	IIH	MAR	12 1/2	CV/OV	HGL2MAR12.5CX/PX	HGL	MAR	12 1/2	CV/OV
IIH2MAR15.0CX/PX	IIH	MAR	15	CC/OC	HGL2MAR15.0CX/PX	HGL	MAR	15	CC/OC
IIH2MAY5.0CX/PX	IIH	MAY	5	EA/QA	HGL2MAY5.0CX/PX	HGL	MAY	5	EA/QA
IIH2MAY7.5CX/PX	IIH	MAY	7 1/2	EU/QU	HGL2MAY7.5CX/PX	HGL	MAY	7 1/2	EU/QU
IIH2MAY10.0CX/PX	IIH	MAY	10	EB/QB	HGL2MAY10.0CX/PX	HGL	MAY	10	EB/QB
IIH2AUG5.0CX/PX	IIH	AUG	5	HA/TA	HGL2AUG5.0CX/PX	HGL	AUG	5	HA/TA
IIH2AUG7.5CX/PX	IIH	AUG	7 1/2	HU/TU	HGL2AUG7.5CX/PX	HGL	AUG	7 1/2	HU/TU
IIH2AUG10.0CX/PX	IIH	AUG	10	HB/TB	HGL2AUG10.0CX/PX	HGL	AUG	10	HB/TB
IIH2AUG12.5CX/PX	IIH	AUG	12 1/2	HV/TV	HGL2AUG12.5CX/PX	HGL	AUG	12 1/2	HV/TV
IIH2AUG15.0CX/PX	IIH	AUG	15	HC/TC	HGL2AUG15.0CX/PX	HGL	AUG	15	HC/TC

Questions regarding this release may be directed to Iris Rodriguez at (212) 897-0264.