



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2002-008

ONN INFORMATION CIRCULAR # 292

February 5, 2002

Telecom HOLDRs Trust (TTH)

Stock Distribution

Ex-Distribution Date: 2/6/2002

Effective at the opening of business Monday, January 28, 2002, Global Crossing Ltd. (GBLXQ), a component of the Telecom Holders Trust was delisted from trading on the NYSE. A distribution of 0.06 GBLXQ share per each TTH share held will be made to shareholders of record. 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 Telecom HOLDRs Trust options will be adjusted as follows:

Adjustment Date: Effective with exercises of Wednesday, February 6, 2002 and thereafter.
ISE Underlying Symbol(s): TTH becomes HLL
OPRA Option Symbol(s): TTH becomes HLL
No. of Contracts: Unchanged
Multiplier: 100 (e.g., Premium of 1.00 = \$100)
New Deliverable/Contract: 1). 100 Shares of Telecom HOLDRs Trust
 2). 0.6 Shares of Global Crossing

GTC ORDER CANCELLATION:

On Tuesday, February 5, 2002, immediately after the ISE close, all resting orders in the TTH order book will be cancelled.

UNADJUSTED NEW SHARES:

New TTH 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 Wednesday, February 6, 2002, the ex-distribution date, trading in TTH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional TTH series added prior to the ex-date will also be adjusted in the manner outlined below.

Telecom HOLDRs Trust (TTH)
(Before 2/6/2002)
(100 shrs TTH)

Telecom HOLDRs Trust (HLL)
(Beginning 2/6/2002)
(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>
TTH2FEB35.0CX/PX	TTH	FEB	35	BG/NG	HLL2FEB35.0CX/PX	HLL	FEB	35	BG/NG
TTH2FEB40.0CX/PX	TTH	FEB	40	BH/NH	HLL2FEB40.0CX/PX	HLL	FEB	40	BH/NH
TTH2FEB45.0CX/PX	TTH	FEB	45	BI/NI	HLL2FEB45.0CX/PX	HLL	FEB	45	BI/NI
TTH2FEB50.0CX/PX	TTH	FEB	50	BJ/NJ	HLL2FEB50.0CX/PX	HLL	FEB	50	BJ/NJ
TTH2FEB55.0CX/PX	TTH	FEB	55	BK/NK	HLL2FEB55.0CX/PX	HLL	FEB	55	BK/NK

TTH2MAR35.0CX/PX TTH MAR 35 CG/OG
 Telecom HOLDRs Trust (TTH)
 (Before 2/6/2002)
 (100 shrs TTH)

HLL2MAR35.0CX/PX HLL MAR 35 CG/OG
 Telecom HOLDRs Trust (HLL)
 (Beginning 2/6/2002)
 (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>
TTH2MAR35.0CX/PX	TTH	MAR	35	CG/OG	HLL2MAR35.0CX/PX	HLL	MAR	35	CG/OG
TTH2MAR40.0CX/PX	TTH	MAR	40	CH/OH	HLL2MAR40.0CX/PX	HLL	MAR	40	CH/OH
TTH2MAR45.0CX/PX	TTH	MAR	45	CI/OI	HLL2MAR45.0CX/PX	HLL	MAR	45	CI/OI
TTH2MAR50.0CX/PX	TTH	MAR	50	CJ/OJ	HLL2MAR50.0CX/PX	HLL	MAR	50	CJ/OJ
TTH2MAY35.0CX/PX	TTH	MAY	35	EG/QG	HLL2MAY35.0CX/PX	HLL	MAY	35	EG/QG
TTH2MAY40.0CX/PX	TTH	MAY	40	EH/QH	HLL2MAY40.0CX/PX	HLL	MAY	40	EH/QH
TTH2MAY45.0CX/PX	TTH	MAY	45	EI/QI	HLL2MAY45.0CX/PX	HLL	MAY	45	EI/QI
TTH2MAY50.0CX/PX	TTH	MAY	50	EJ/QJ	HLL2MAY50.0CX/PX	HLL	MAY	50	EJ/QJ
TTH2MAY55.0CX/PX	TTH	MAY	55	EK/QK	HLL2MAY55.0CX/PX	HLL	MAY	55	EK/QK
TTH2AUG35.0CX/PX	TTH	AUG	35	HG/TG	HLL2AUG35.0CX/PX	HLL	AUG	35	HG/TG
TTH2AUG40.0CX/PX	TTH	AUG	40	HH/TH	HLL2AUG40.0CX/PX	HLL	AUG	40	HH/TH
TTH2AUG45.0CX/PX	TTH	AUG	45	HI/TI	HLL2AUG45.0CX/PX	HLL	AUG	45	HI/TI
TTH2AUG50.0CX/PX	TTH	AUG	50	HJ/TJ	HLL2AUG50.0CX/PX	HLL	AUG	50	HJ/TJ

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