



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2002-017

ONN INFORMATION CIRCULAR # 401

April 23, 2002

Telecom HOLDRs Trust (TTH)

Stock Distribution

Ex-Distribution Date: 4/24/2002

Effective at the open of business Thursday, April 18, 2002, McLeodUSA, Inc. (MCLDQ), a component of the Telecom HOLDRs Trust (TTH), was delisted from trading on the NASDAQ. A distribution of 0.03 MCLDQ share per each TTH share held will be made to shareholders of record, April 26, 2002. The ex-distribution date for the dividend, as established by the American Stock Exchange, is Wednesday, April 24, 2002. MCLDQ will change its symbol to MCLDD effective Wednesday, April 24, 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, April 24, 2002 and thereafter.
ISE Underlying Symbol(s):	TTH becomes UXF (HLL and IGD remain unchanged)
OPRA Option Symbol(s):	TTH becomes UXF (HLL remains unchanged)
No. of Contracts:	Unchanged
Multiplier:	100 (e.g., Premium of 1.00 = \$100)
New Deliverable/Contract:	UXF: 100 TTH plus 3 MCLDQ shares HLL: 100 TTH plus 6 GBLXE shares plus 1 NTLD share plus 3 MCLDQ shares plus .02 cash IGD: 100 TTH Shares, plus 1 NTLD share plus 3 MCLDQ shares plus .02 cash

GTC Order Cancellation:

On Tuesday, April 23, 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, April 25, 2002. Strike prices and expiration months will be announced on a separate release.

Adjusted Exercise Prices:

On Wednesday, April 24, 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 4/24/2002)
 (100 shrs TTH)

Telecom HOLDRs Trust (UXF)
 (Beginning 4/24/2002)
 (See New Deliverable Above)

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TTH2MAY30.0C/P	TTH	MAY	30	EF/QF
TTH2MAY35.0C/P	TTH	MAY	35	EG/QG
TTH2MAY40.0C/P	TTH	MAY	40	EH/QH
TTH2MAY45.0C/P	TTH	MAY	45	EI/QI
TTH2JUN30.0C/P	TTH	JUN	30	FF/RF
TTH2JUN35.0C/P	TTH	JUN	35	FG/RG

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TTH2MAY30.0CX/PX	UXF	MAY	30	EF/QF
TTH2MAY35.0CX/PX	UXF	MAY	35	EG/QG
TTH2MAY40.0CX/PX	UXF	MAY	40	EH/QH
TTH2MAY45.0CX/PX	UXF	MAY	45	EI/QI
TTH2JUN30.0CX/PX	UXF	JUN	30	FF/RF
TTH2JUN35.0CX/PX	UXF	JUN	35	FG/RG

Telecom HOLDRs Trust (TTH)
 (Before 4/24/2002)
 (100 shrs TTH)

Telecom HOLDRs Trust (UXF)
 (Beginning 4/24/2002)
 (See New Deliverable Above)

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TTH2JUN40.0C/P	TTH	JUN	40	FH/RH
TTH2AUG30.0C/P	TTH	AUG	30	HF/TF
TTH2AUG35.0C/P	TTH	AUG	35	HG/TG
TTH2AUG40.0C/P	TTH	AUG	40	HH/TH
TTH2AUG45.0C/P	TTH	AUG	45	HI/TI
TTH2NOV30.0C/P	TTH	NOV	30	KF/WF
TTH2NOV35.0C/P	TTH	NOV	35	KG/WG
TTH2NOV40.0C/P	TTH	NOV	40	KH/WH
TTH2NOV45.0C/P	TTH	NOV	45	KI/WI

<u>ISE Series</u>	<u>OPRA</u>	<u>Month</u>	<u>Strike</u>	<u>Calls/Puts</u>
TTH2JUN40.0CX/PX	UXF	JUN	40	FH/RH
TTH2AUG30.0CX/PX	UXF	AUG	30	HF/TF
TTH2AUG35.0CX/PX	UXF	AUG	35	HG/TG
TTH2AUG40.0CX/PX	UXF	AUG	40	HH/TH
TTH2AUG45.0CX/PX	UXF	AUG	45	HI/TI
TTH2NOV30.0CX/PX	UXF	NOV	30	KF/WF
TTH2NOV35.0CX/PX	UXF	NOV	35	KG/WG
TTH2NOV40.0CX/PX	UXF	NOV	40	KH/WH
TTH2NOV45.0CX/PX	UXF	NOV	45	KI/WI

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