



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2002-037

ONN INFORMATION CIRCULAR # 343

July 15, 2002

Telecomunicacoes Brasileiras SA (TBH)

Rights Distribution

Ex-Distribution Date: 7/16/2002

Telecomunicacoes Brasileiras SA (TBH) has declared a distribution of Rights of Telesp Celular Participacoes SA ADS (TCP) to TBH shareholders of record, July 11, 2002. Distribution will be Monday, July 15, 2002. Ex-distribution is July 16, 2002. The distribution will be .622571328 Rights of Telesp Celular Participacoes SA ADS per share of Telecomunicacoes Brasileiras SA.

Contract Adjustments:

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

Adjustment Date: Effective with exercises of Tuesday, July 16, 2002 and thereafter.
ISE Underlying Symbol(s): Unchanged
OPRA Option Symbol(s): TBH becomes MBY
No. of Contracts: Unchanged
Multiplier: 100 (e.g., Premium of 1.00 = \$100)
New Deliverable/Contract: 1). 100 Telecomunicacoes Brasileiras SA ADSs
 2). 62 Rights ("TCP RT")
 3). Cash in lieu of .2571328 fractional Rights ("TCP RT")

GTC Order Cancellation:

On Monday, July 15, 2002, immediately after the ISE close, all resting orders in the TBH order book will be cancelled.

Adjusted Exercise Prices:

On Tuesday, July 16, 2002, the ex-distribution date, trading in TBH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional TBH series added prior to the ex-date will also be adjusted in the manner outlined below.

Telecomunicacoes Brasileiras SA (TBH)
(Before 7/16/2002)
(100 shrs TBH)

Telecomunicacoes Brasileiras SA (MBY)
(Beginning 7/16/2002)
(See New Deliverable Above)

ISE Series	OPRA	Month	Strike	Calls/Puts	ISE Series	OPRA	Month	Strike	Calls/Puts
TBH2JUL20.0C/P	TBH	JUL	20	GD/SD	TBH2JUL20.0CX/PX	MBY	JUL	20	GD/SD
TBH2JUL22.5C/P	TBH	JUL	22 1/2	GX/SX	TBH2JUL22.5CX/PX	MBY	JUL	22 1/2	GX/SX
TBH2JUL25.0C/P	TBH	JUL	25	GE/SE	TBH2JUL25.0CX/PX	MBY	JUL	25	GE/SE
TBH2JUL30.0C/P	TBH	JUL	30	GF/SF	TBH2JUL30.0CX/PX	MBY	JUL	30	GF/SF
TBH2JUL35.0C/P	TBH	JUL	35	GG/SG	TBH2JUL35.0CX/PX	MBY	JUL	35	GG/SG
TBH2JUL40.0C/P	TBH	JUL	40	GH/SH	TBH2JUL40.0CX/PX	MBY	JUL	40	GH/SH
TBH2JUL45.0C/P	TBH	JUL	45	GI/SI	TBH2JUL45.0CX/PX	MBY	JUL	45	GI/SI
TBH2JUL50.0C/P	TBH	JUL	50	GJ/SJ	TBH2JUL50.0CX/PX	MBY	JUL	50	GJ/SJ

TBH2AUG15.0C/P	TBH	AUG	15	HC/TC	TBH2AUG15.0CX/PX	MBY	AUG	15	HC/TC
TBH2AUG17.5C/P	TBH	AUG	17 1/2	HW/TW	TBH2AUG17.5CX/PX	MBY	AUG	17 1/2	HW/TW
TBH2AUG20.0C/P	TBH	AUG	20	HD/TD	TBH2AUG20.0CX/PX	MBY	AUG	20	HD/TD
TBH2AUG22.5C/P	TBH	AUG	22 1/2	HX/TX	TBH2AUG22.5CX/PX	MBY	AUG	22 1/2	HX/TX
TBH2AUG25.0C/P	TBH	AUG	25	HE/TE	TBH2AUG25.0CX/PX	MBY	AUG	25	HE/TE
TBH2AUG30.0C/P	TBH	AUG	30	HF/TF	TBH2AUG30.0CX/PX	MBY	AUG	30	HF/TF
TBH2AUG35.0C/P	TBH	AUG	35	HG/TG	TBH2AUG35.0CX/PX	MBY	AUG	35	HG/TG
TBH2AUG40.0C/P	TBH	AUG	40	HH/TH	TBH2AUG40.0CX/PX	MBY	AUG	40	HH/TH
TBH2AUG45.0C/P	TBH	AUG	45	HI/TI	TBH2AUG45.0CX/PX	MBY	AUG	45	HI/TI
TBH2OCT17.5C/P	TBH	OCT	17 1/2	JW/VW	TBH2OCT17.5CX/PX	MBY	OCT	17 1/2	JW/VW
TBH2OCT20.0C/P	TBH	OCT	20	JD/VD	TBH2OCT20.0CX/PX	MBY	OCT	20	JD/VD
TBH2OCT22.5C/P	TBH	OCT	22 1/2	JX/VX	TBH2OCT22.5CX/PX	MBY	OCT	22 1/2	JX/VX
TBH2OCT25.0C/P	TBH	OCT	25	JE/VE	TBH2OCT25.0CX/PX	MBY	OCT	25	JE/VE
TBH2OCT30.0C/P	TBH	OCT	30	JF/VF	TBH2OCT30.0CX/PX	MBY	OCT	30	JF/VF
TBH2OCT35.0C/P	TBH	OCT	35	JG/VG	TBH2OCT35.0CX/PX	MBY	OCT	35	JG/VG
TBH2OCT40.0C/P	TBH	OCT	40	JH/VH	TBH2OCT40.0CX/PX	MBY	OCT	40	JH/VH
TBH2OCT45.0C/P	TBH	OCT	45	JI/VI	TBH2OCT45.0CX/PX	MBY	OCT	45	JI/VI
TBH2OCT50.0C/P	TBH	OCT	50	JJ/VJ	TBH2OCT50.0CX/PX	MBY	OCT	50	JJ/VJ
TBH2JAN20.0C/P	TBH	JAN	20	AD/MD	TBH2JAN20.0CX/PX	MBY	JAN	20	AD/MD
TBH2JAN22.5C/P	TBH	JAN	22 1/2	AX/MX	TBH2JAN22.5CX/PX	MBY	JAN	22 1/2	AX/MX
TBH2JAN25.0C/P	TBH	JAN	25	AE/ME	TBH2JAN25.0CX/PX	MBY	JAN	25	AE/ME
TBH2JAN30.0C/P	TBH	JAN	30	AF/MF	TBH2JAN30.0CX/PX	MBY	JAN	30	AF/MF
TBH2JAN35.0C/P	TBH	JAN	35	AG/MG	TBH2JAN35.0CX/PX	MBY	JAN	35	AG/MG
TBH2JAN40.0C/P	TBH	JAN	40	AH/MH	TBH2JAN40.0CX/PX	MBY	JAN	40	AH/MH
TBH2JAN45.0C/P	TBH	JAN	45	AI/MI	TBH2JAN45.0CX/PX	MBY	JAN	45	AI/MI
TBH2JAN50.0C/P	TBH	JAN	50	AJ/MJ	TBH2JAN50.0CX/PX	MBY	JAN	50	AJ/MJ

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