

**SERIES ADJUSTMENTS - 2003-035**  
**ONN INFORMATION CIRCULAR # 473**  
**July 7, 2003**

**Taiwan Semiconductor (TSM)**  
**8% Stock Dividend**  
**Ex-Distribution Date: 7/7/2003**

Taiwan Semiconductor (TSM) has declared a 8% stock dividend payable to shareholders of record on a date to be announced. Distribution date for the stock dividend will be Tuesday, July 8, 2003. Ex-distribution date for the stock dividend will be **Monday, July 7, 2003.**

**Contract Adjustments:**

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

<b>Adjustment Date:</b>	Effective with exercises of Monday, July 7, 2003 and thereafter.
<b>ISE Underlying Symbol(s):</b>	Unchanged - TSM
<b>OPRA Option Symbol(s):</b>	TSM changes to TVM
<b>Size of Contract:</b>	108 shares
<b>Strike Prices:</b>	Reduced by dividing existing strikes by 1.08 and rounding to the nearest eighth.
<b>Multiplier:</b>	108 (e.g., Premium of 1.00 = \$108)
<b>New Deliverable/Contract:</b>	108 Shares of Taiwan Semiconductor

**GTC Order Cancellation:**

On Friday, July 4, 2003, immediately after the ISE close, all resting orders in the TSM order book will be cancelled.

**Position and Exercise Limits:**

The ISE Surveillance Department has determined that position and exercise limits following this stock dividend, and until January 17, 2004 expiration will be any combination of TSM and TVM options not to exceed 8,100,000 shares of TSM, through the January 17, 2004, at which time it will revert to its standard limit of 75,000 contracts.

**Unadjusted New Shares:**

New TSM series with a contract unit of 100 shares will be introduced on Tuesday, July 8, 2003. Strike prices and expiration months will be announced on a separate release.

**Adjusted Exercise Prices:**

On Monday, July 7, 2003, the ex-distribution date, trading in TSM series will be on an adjusted basis.

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