



INTERNATIONAL SECURITIES EXCHANGE

## SERIES ADJUSTMENTS - 2003-054

### ONN INFORMATION CIRCULAR # 529

October 28, 2003

**Palm, Inc (PALM)**

**Spin-Off**

**Ex-Distribution Date: 10/29/2003**

Palm, Inc. (PALM) has announced a distribution of Common Shares of PalmSource (PSRC) to Palm, Inc. (PALM) Common shareholders, subject to Shareholder approval on October 28, 2003. The distribution ratio is approximately .31 shares of PSRC for each PALM Common Share. The record date, mail date and ex-distribution dates have yet to be determined.

**Following the distribution, Palm Inc. will acquire Handspring Inc. (HAND) and will change its name and stock symbol to palmOne Inc. (PLMO).**

#### Contract Adjustments:

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

<b>Adjustment Date:</b>	Effective with exercises of Wednesday, October 29, 2003 and thereafter.
<b>ISE Underlying Symbol(s):</b>	PALM becomes UUR
<b>OPRA Option Symbol(s):</b>	UPY becomes UUR
<b>No. of Contracts:</b>	Unchanged
<b>Multiplier:</b>	100 (e.g., Premium of 1.00 = \$100)
<b>New Deliverable/Contract:</b>	<b>1) 100 PalmOne, Inc. (PLMO) Common Shares</b> <b>2) Approximately 31 Shares PalmSource (PSRC) Common Shares</b> <b>3) Cash in lieu of fractional PSRC Common Shares, if any</b>

#### GTC Order Cancellation:

On Tuesday, October 28, 2003, immediately after the ISE close, all resting orders in the PALM order book will be cancelled.

#### Unadjusted New Shares:

New PALM series with a contract unit of 100 shares will be introduced on Thursday, October 30, 2003. Strike prices and expiration months will be announced on a separate release.

#### Adjusted Exercise Prices:

On Wednesday, October 29, 2003, the ex-distribution date, trading in UPY series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional PALM series added prior to the ex-date will also be adjusted in the manner outlined below.

Palm, Inc (PALM/UPY) (Before 10/29/2003) (100 shrs PALM)					Palm, Inc (PALM/UUR) (Beginning 10/29/2003) (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>
PALM3NOV2.5C/P	UPY	NOV	2 1/2	KZ/WZ	UUR3NOV2.5CX/PX	UUR	NOV	2 1/2	KZ/WZ
PALM3NOV5.0C/P	UPY	NOV	5	KA/WA	UUR3NOV5.0CX/PX	UUR	NOV	5	KA/WA
PALM3NOV7.5C/P	UPY	NOV	7 1/2	KU/WU	UUR3NOV7.5CX/PX	UUR	NOV	7 1/2	KU/WU
PALM3NOV10.0C/P	UPY	NOV	10	KB/WB	UUR3NOV10.0CX/PX	UUR	NOV	10	KB/WB
PALM3NOV12.5C/P	UPY	NOV	12 1/2	KV/WV	UUR3NOV12.5CX/PX	UUR	NOV	12 1/2	KV/WV
PALM3NOV15.0C/P	UPY	NOV	15	KC/WC	UUR3NOV15.0CX/PX	UUR	NOV	15	KC/WC
PALM3NOV17.5C/P	UPY	NOV	17 1/2	KW/WW	UUR3NOV17.5CX/PX	UUR	NOV	17 1/2	KW/WW
PALM3NOV20.0C/P	UPY	NOV	20	KD/WD	UUR3NOV20.0CX/PX	UUR	NOV	20	KD/WD

PALM3NOV22.5C/P	UPY	NOV	22 1/2	KX/WX	UUR3NOV22.5CX/PX	UUR	NOV	22 1/2	KX/WX
PALM3NOV25.0C/P	UPY	NOV	25	KE/WE	UUR3NOV25.0CX/PX	UUR	NOV	25	KE/WE
PALM3NOV30.0C/P	UPY	NOV	30	KF/WF	UUR3NOV30.0CX/PX	UUR	NOV	30	KF/WF
	Palm, Inc (PALM/UPY) (Before 10/29/2003) (100 shrs PALM)					Palm, Inc (PALM/UUR) (Beginning 10/29/2003) (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>
PALM3DEC12.5C/P	UPY	DEC	12 1/2	LV/XV	UUR3DEC12.5CX/PX	UUR	DEC	12 1/2	LV/XV
PALM3DEC15.0C/P	UPY	DEC	15	LC/XC	UUR3DEC15.0CX/PX	UUR	DEC	15	LC/XC
PALM3DEC17.5C/P	UPY	DEC	17 1/2	LW/XW	UUR3DEC17.5CX/PX	UUR	DEC	17 1/2	LW/XW
PALM3DEC20.0C/P	UPY	DEC	20	LD/XD	UUR3DEC20.0CX/PX	UUR	DEC	20	LD/XD
PALM3DEC22.5C/P	UPY	DEC	22 1/2	LX/XX	UUR3DEC22.5CX/PX	UUR	DEC	22 1/2	LX/XX
PALM3DEC25.0C/P	UPY	DEC	25	LE/XE	UUR3DEC25.0CX/PX	UUR	DEC	25	LE/XE
PALM3DEC30.0C/P	UPY	DEC	30	LF/XF	UUR3DEC30.0CX/PX	UUR	DEC	30	LF/XF
PALM3DEC35.0C/P	UPY	DEC	35	LG/XG	UUR3DEC35.0CX/PX	UUR	DEC	35	LG/XG
PALM3DEC40.0C/P	UPY	DEC	40	LH/XH	UUR3DEC40.0CX/PX	UUR	DEC	40	LH/XH
PALM3DEC45.0C/P	UPY	DEC	45	LI/XI	UUR3DEC45.0CX/PX	UUR	DEC	45	LI/XI
PALM3DEC50.0C/P	UPY	DEC	50	LJ/XJ	UUR3DEC50.0CX/PX	UUR	DEC	50	LJ/XJ
PALM4FEB2.5C/P	UPY	FEB	2 1/2	BZ/NZ	UUR4FEB2.5CX/PX	UUR	FEB	2 1/2	BZ/NZ
PALM4FEB5.0C/P	UPY	FEB	5	BA/NA	UUR4FEB5.0CX/PX	UUR	FEB	5	BA/NA
PALM4FEB7.5C/P	UPY	FEB	7 1/2	BU/NU	UUR4FEB7.5CX/PX	UUR	FEB	7 1/2	BU/NU
PALM4FEB10.0C/P	UPY	FEB	10	BB/NB	UUR4FEB10.0CX/PX	UUR	FEB	10	BB/NB
PALM4FEB12.5C/P	UPY	FEB	12 1/2	BV/NV	UUR4FEB12.5CX/PX	UUR	FEB	12 1/2	BV/NV
PALM4FEB15.0C/P	UPY	FEB	15	BC/NC	UUR4FEB15.0CX/PX	UUR	FEB	15	BC/NC
PALM4FEB17.5C/P	UPY	FEB	17 1/2	BW/NW	UUR4FEB17.5CX/PX	UUR	FEB	17 1/2	BW/NW
PALM4FEB20.0C/P	UPY	FEB	20	BD/ND	UUR4FEB20.0CX/PX	UUR	FEB	20	BD/ND
PALM4FEB22.5C/P	UPY	FEB	22 1/2	BX/NX	UUR4FEB22.5CX/PX	UUR	FEB	22 1/2	BX/NX
PALM4FEB25.0C/P	UPY	FEB	25	BE/NE	UUR4FEB25.0CX/PX	UUR	FEB	25	BE/NE
PALM4FEB30.0C/P	UPY	FEB	30	BF/NF	UUR4FEB30.0CX/PX	UUR	FEB	30	BF/NF
PALM4MAY7.5C/P	UPY	MAY	7 1/2	EU/QU	UUR4MAY7.5CX/PX	UUR	MAY	7 1/2	EU/QU
PALM4MAY10.0C/P	UPY	MAY	10	EB/QB	UUR4MAY10.0CX/PX	UUR	MAY	10	EB/QB
PALM4MAY12.5C/P	UPY	MAY	12 1/2	EV/QV	UUR4MAY12.5CX/PX	UUR	MAY	12 1/2	EV/QV
PALM4MAY15.0C/P	UPY	MAY	15	EC/EC	UUR4MAY15.0CX/PX	UUR	MAY	15	EC/EC
PALM4MAY17.5C/P	UPY	MAY	17 1/2	EW/EW	UUR4MAY17.5CX/PX	UUR	MAY	17 1/2	EW/EW
PALM4MAY20.0C/P	UPY	MAY	20	ED/ED	UUR4MAY20.0CX/PX	UUR	MAY	20	ED/ED
PALM4MAY22.5C/P	UPY	MAY	22 1/2	EX/QX	UUR4MAY22.5CX/PX	UUR	MAY	22 1/2	EX/QX
PALM4MAY25.0C/P	UPY	MAY	25	EE/QE	UUR4MAY25.0CX/PX	UUR	MAY	25	EE/QE
PALM4MAY30.0C/P	UPY	MAY	30	EF/QF	UUR4MAY30.0CX/PX	UUR	MAY	30	EF/QF
PALM4MAY35.0C/P	UPY	MAY	35	EG/QG	UUR4MAY35.0CX/PX	UUR	MAY	35	EG/QG
PALM4MAY40.0C/P	UPY	MAY	40	EH/QH	UUR4MAY40.0CX/PX	UUR	MAY	40	EH/QH

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