



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2004-056

ONN INFORMATION CIRCULAR # 711

July 28, 2004

Microsoft Corporation (MSFT) Anticipated Cash Dividend Ex-Distribution Date: To be Announced

On July 20, 2004, Microsoft Corporation (MSFT) announced a special cash dividend of \$3.00 per MSFT Common share, subject to stockholder approval of related amendments to employee stock plans. The special dividend will be payable on December 2, 2004 to stockholders of record on November 17, 2004. (On July 20, 2004, MSFT closed at \$28.32 on NASDAQ NMS. A \$3.00 dividend distribution represents 10.6% of the MSFT share price.

On July 27, 2004, The OCC announced that the adjustment panels of the OCC's Securities Committee decided to adjust options on Exchange Traded Funds (ETF's) and HOLDERS to reflect the recent Microsoft (MSFT) special dividend in those cases where the impact of the special dividend on the ETF or HOLDER equals or exceeds \$.125 per share.

Contract Adjustments:

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

Adjustment Date:	Ex-distribution date to be determined
ISE Underlying Symbol(s):	Unchanged - MSFT
OPRA Option Symbol(s):	Unchanged - MQF/MSQ/WMF/VMF
No. of Contracts:	Unchanged
Strike Prices:	Strike prices will be reduced by 3
Multiplier:	100 (e.g., Premium of 1.00 = \$100)
New Deliverable/Contract:	1) 100 Microsoft Corporation (MSFT) Common Shares

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