



INTERNATIONAL SECURITIES EXCHANGE

## SERIES ADJUSTMENTS - 2004-086

### ONN INFORMATION CIRCULAR # 773

November 11, 2004

**Software HOLDRs (SWH)  
Special Cash Distribution  
Ex-Distribution Date: 11/15/2004**

Software HOLDRs (SWH) has declared a Special Cash dividend of \$.90 payable to shareholders of record on November 17, 2004. Distribution date for the special cash dividend will be Monday, December 6, 2004. Ex-distribution date for the stock split will be Monday, November 15, 2004.

#### Contract Adjustments:

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

**Adjustment Date:** Effective with exercises of Monday, November 15, 2004 and thereafter.  
**ISE Underlying Symbol(s):** Unchanged - SWH  
**OPRA Option Symbol(s):** Unchanged - (SWH)  
**No. of Contracts:** 1  
**Strike Prices:** Reduced by subtracting the cash dividend from each strike and rounding to the nearest eighth.  
**Multiplier:** 100 (e.g., Premium of 1.00 = \$100)  
**New Deliverable/Contract:** Unchanged - 100 Shares of Software HOLDRs

#### GTC Order Cancellation:

On Friday, November 12, 2004, immediately after the ISE close, all resting orders in the SWH order book will be cancelled.

#### Position and Exercise Limits:

The ISE Surveillance Department has determined that position and exercise limits following this special cash dividend will remain unchanged.

#### Adjusted Exercise Prices:

On Monday, November 15, 2004, the ex-distribution date, trading in SWH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional SWH series added prior to the ex-date will also be adjusted in the manner outlined below.

Software HOLDRs (SWH) (Before 11/15/2004) (100 shrs SWH)					Software HOLDRs (SWH) (Beginning 11/15/2004) (100 shrs SWH)				
<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>
SWH4NOV27.5C/P	SWH	NOV	27 1/2	KY/WY	SWH4NOV26.6CX/PX	SWH	NOV	26 5/8	KA/WA
SWH4NOV30.0C/P	SWH	NOV	30	KF/WF	SWH4NOV29.1CX/PX	SWH	NOV	29 1/8	KB/WB
SWH4NOV32.5C/P	SWH	NOV	32 1/2	KZ/WZ	SWH4NOV31.6CX/PX	SWH	NOV	31 5/8	KO/WO
SWH4NOV35.0C/P	SWH	NOV	35	KG/WG	SWH4NOV34.1CX/PX	SWH	NOV	34 1/8	KP/WP
SWH4NOV37.5C/P	SWH	NOV	37 1/2	KU/WU	SWH4NOV36.6CX/PX	SWH	NOV	36 5/8	KQ/WQ
SWH4NOV40.0C/P	SWH	NOV	40	KH/WH	SWH4NOV39.1CX/PX	SWH	NOV	39 1/8	KR/WR
SWH4NOV42.5C/P	SWH	NOV	42 1/2	KV/WW	SWH4NOV41.6CX/PX	SWH	NOV	41 5/8	KS/WS

Software HOLDRs (SWH)  
(Before 11/15/2004)  
(100 shrs SWH)

Software HOLDRs (SWH)  
(Beginning 11/15/2004)  
(100 shrs SWH)

<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>
SWH4NOV45.0C/P	SWH	NOV	45	KI/WI	SWH4NOV44.1CX/PX	SWH	NOV	44 1/8	KT/WT
SWH4DEC30.0C/P	SWH	DEC	30	LF/XF	SWH4DEC29.1CX/PX	SWH	DEC	29 1/8	LB/XB
SWH4DEC32.5C/P	SWH	DEC	32 1/2	LZ/XZ	SWH4DEC31.6CX/PX	SWH	DEC	31 5/8	LO/XO
SWH4DEC35.0C/P	SWH	DEC	35	LG/XG	SWH4DEC34.1CX/PX	SWH	DEC	34 1/8	LP/XP
SWH4DEC37.5C/P	SWH	DEC	37 1/2	LU/XU	SWH4DEC36.6CX/PX	SWH	DEC	36 5/8	LQ/XQ
SWH4DEC40.0C/P	SWH	DEC	40	LH/XH	SWH4DEC39.1CX/PX	SWH	DEC	39 1/8	LR/XR
SWH4DEC42.5C/P	SWH	DEC	42 1/2	LV/XV	SWH4DEC41.6CX/PX	SWH	DEC	41 5/8	LS/XS
SWH4DEC45.0C/P	SWH	DEC	45	LI/XI	SWH4DEC44.1CX/PX	SWH	DEC	44 1/8	LT/XT
SWH5FEB27.5C/P	SWH	FEB	27 1/2	BY/NY	SWH5FEB26.6CX/PX	SWH	FEB	26 5/8	BA/NA
SWH5FEB30.0C/P	SWH	FEB	30	BF/NF	SWH5FEB29.1CX/PX	SWH	FEB	29 1/8	BB/NB
SWH5FEB32.5C/P	SWH	FEB	32 1/2	BZ/NZ	SWH5FEB31.6CX/PX	SWH	FEB	31 5/8	BO/NO
SWH5FEB35.0C/P	SWH	FEB	35	BG/NG	SWH5FEB34.1CX/PX	SWH	FEB	34 1/8	BP/NP
SWH5FEB37.5C/P	SWH	FEB	37 1/2	BU/NU	SWH5FEB36.6CX/PX	SWH	FEB	36 5/8	BQ/NQ
SWH5FEB40.0C/P	SWH	FEB	40	BH/NH	SWH5FEB39.1CX/PX	SWH	FEB	39 1/8	BR/NR
SWH5FEB42.5C/P	SWH	FEB	42 1/2	BV/NV	SWH5FEB41.6CX/PX	SWH	FEB	41 5/8	BS/NS
SWH5FEB45.0C/P	SWH	FEB	45	BI/NI	SWH5FEB44.1CX/PX	SWH	FEB	44 1/8	BT/NT
SWH5MAY30.0C/P	SWH	MAY	30	EF/QF	SWH5MAY29.1CX/PX	SWH	MAY	29 1/8	EB/QB
SWH5MAY32.5C/P	SWH	MAY	32 1/2	EZ/QZ	SWH5MAY31.6CX/PX	SWH	MAY	31 5/8	EO/QO
SWH5MAY35.0C/P	SWH	MAY	35	EG/QG	SWH5MAY34.1CX/PX	SWH	MAY	34 1/8	EP/QP
SWH5MAY37.5C/P	SWH	MAY	37 1/2	EU/QU	SWH5MAY36.6CX/PX	SWH	MAY	36 5/8	EQ/QQ
SWH5MAY40.0C/P	SWH	MAY	40	EH/QH	SWH5MAY39.1CX/PX	SWH	MAY	39 1/8	ER/QR
SWH5MAY42.5C/P	SWH	MAY	42 1/2	EV/QV	SWH5MAY41.6CX/PX	SWH	MAY	41 5/8	ES/QS
SWH5MAY45.0C/P	SWH	MAY	45	EI/QI	SWH5MAY44.1CX/PX	SWH	MAY	44 1/8	ET/QT

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