



INTERNATIONAL SECURITIES EXCHANGE

**SERIES ADJUSTMENTS - 2005-100
ONN INFORMATION CIRCULAR #1059
July 13, 2005**

May Department Stores Co. (MAY) Pending Merger with Federated Department Stores (FD)

On Wednesday, July 13, 2005, the shareholders of May Department Stores Co. (MAY) will vote to approve the proposed merger with Federated Department Stores, Inc. (FD). If the merger is approved and consummated, each MAY share will be converted into the right to receive .3115 FD Common plus \$17.75 cash. Cash will be paid in lieu of fractional Shares.

Pending Contract Adjustments:

Pursuant to Options Clearing Corporation (OCC) by-laws, all outstanding May Department Stores Co. options will be adjusted as follows:

Adjustment Date: Effective the opening of business day after the merger is consummated. Contract adjustment is expected to occur in the third quarter of 2005.

ISE Underlying Symbol: MAY becomes MZY
OPRA Option Symbols: MAY Becomes MZY
VUU Becomes ZZN

Strike Prices: No Change

Multiplier: 100*(eg., Premium of 1.00 = \$100)

New Deliverable/Contract: 1) 31 Federated Department Stores, Inc. (FD) Common Shares;
2) Cash in lieu of .15 FD fractional share;
3) \$1,775.00 Cash

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the ISE for the convenience of its members. ISE accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

GTC Order Cancellation

Immediately after the ISE close on the effective date of the merger, all resting orders in the MAY order book will be cancelled.

ADJUSTED EXERCISE PRICES

Effective with the opening of business, after the date the merger is consummated, trading in MAY series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series. Any additional MAY series added prior to the merger date will also be adjusted in the manner outlined below.

May Department Stores Co. (MAY)
(Before - Date To Be Announced)
100 shares MAY

May Department Stores Co. (MZY)
(Beginning - Date To Be Announced)
(See New Deliverable Above)

| ISESeries | OPRA | Month | Strike | Calls/Puts | ISESeries | OPRA | Month | Strike | Calls/Puts |
|----------------|------|-------|--------|------------|------------------|------|-------|--------|------------|
| MAY5JUL35.0C/P | MAY | JUL | 35 | GG/SG | MZY5JUL35.0CX/PX | MZY | JUL | 35 | GG/SG |
| MAY5JUL37.5C/P | MAY | JUL | 37 1/2 | GU/SU | MZY5JUL37.5CX/PX | MZY | JUL | 37 1/2 | GU/SU |
| MAY5JUL40.0C/P | MAY | JUL | 40 | GH/SH | MZY5JUL40.0CX/PX | MZY | JUL | 40 | GH/SH |
| MAY5JUL42.5C/P | MAY | JUL | 42 1/2 | GV/SV | MZY5JUL42.5CX/PX | MZY | JUL | 42 1/2 | GV/SV |
| MAY5AUG37.5C/P | MAY | AUG | 37 1/2 | HU/TU | MZY5AUG37.5CX/PX | MZY | AUG | 37 1/2 | HU/TU |
| MAY5AUG40.0C/P | MAY | AUG | 40 | HH/TH | MZY5AUG40.0CX/PX | MZY | AUG | 40 | HH/TH |
| MAY5AUG42.5C/P | MAY | AUG | 42 1/2 | HV/TV | MZY5AUG42.5CX/PX | MZY | AUG | 42 1/2 | HV/TV |

May Department Stores Co. (MAY)
(Before - Date To Be Announced
100 shares MAY)

May Department Stores Co. (MZY)
(Beginning - Date To Be Announced
(See New Deliverable Above)

| ISESeries | OPRA | Month | Strike | Calls/Puts |
|----------------|------|-------|--------|------------|
| MAY5SEP20.0C/P | MAY | SEP | 20 | ID/UD |
| MAY5SEP22.5C/P | MAY | SEP | 22 1/2 | IX/UX |
| MAY5SEP25.0C/P | MAY | SEP | 25 | IE/UE |
| MAY5SEP27.5C/P | MAY | SEP | 27 1/2 | IY/UY |
| MAY5SEP30.0C/P | MAY | SEP | 30 | IF/UF |
| MAY5SEP32.5C/P | MAY | SEP | 32 1/2 | IZ/UZ |
| MAY5SEP35.0C/P | MAY | SEP | 35 | IG/UG |
| MAY5SEP37.5C/P | MAY | SEP | 37 1/2 | IU/UU |
| MAY5SEP40.0C/P | MAY | SEP | 40 | IH/UH |
| MAY5SEP42.5C/P | MAY | SEP | 42 1/2 | IV/UV |
| MAY5SEP45.0C/P | MAY | SEP | 45 | II/UI |
| MAY5SEP47.5C/P | MAY | SEP | 47 1/2 | IW/UW |
| MAY5SEP50.0C/P | MAY | SEP | 50 | IJ/UJ |

| ISESeries | OPRA | Month | Strike | Calls/Puts |
|------------------|------|-------|--------|------------|
| MZY5SEP20.0CX/PX | MZY | SEP | 20 | ID/UD |
| MZY5SEP22.5CX/PX | MZY | SEP | 22 1/2 | IX/UX |
| MZY5SEP25.0CX/PX | MZY | SEP | 25 | IE/UE |
| MZY5SEP27.5CX/PX | MZY | SEP | 27 1/2 | IY/UY |
| MZY5SEP30.0CX/PX | MZY | SEP | 30 | IF/UF |
| MZY5SEP32.5CX/PX | MZY | SEP | 32 1/2 | IZ/UZ |
| MZY5SEP35.0CX/PX | MZY | SEP | 35 | IG/UG |
| MZY5SEP37.5CX/PX | MZY | SEP | 37 1/2 | IU/UU |
| MZY5SEP40.0CX/PX | MZY | SEP | 40 | IH/UH |
| MZY5SEP42.5CX/PX | MZY | SEP | 42 1/2 | IV/UV |
| MZY5SEP45.0CX/PX | MZY | SEP | 45 | II/UI |
| MZY5SEP47.5CX/PX | MZY | SEP | 47 1/2 | IW/UW |
| MZY5SEP50.0CX/PX | MZY | SEP | 50 | IJ/UJ |

| | | | | |
|----------------|-----|-----|--------|-------|
| MAY5DEC32.5C/P | MAY | DEC | 32 1/2 | LZ/XZ |
| MAY5DEC35.0C/P | MAY | DEC | 35 | LG/XG |
| MAY5DEC37.5C/P | MAY | DEC | 37 1/2 | LU/XU |
| MAY5DEC40.0C/P | MAY | DEC | 40 | LH/XH |
| MAY5DEC42.5C/P | MAY | DEC | 42 1/2 | LV/XV |

| | | | | |
|------------------|-----|-----|--------|-------|
| MZY5DEC32.5CX/PX | MZY | DEC | 32 1/2 | LZ/XZ |
| MZY5DEC35.0CX/PX | MZY | DEC | 35 | LG/XG |
| MZY5DEC37.5CX/PX | MZY | DEC | 37 1/2 | LU/XU |
| MZY5DEC40.0CX/PX | MZY | DEC | 40 | LH/XH |
| MZY5DEC42.5CX/PX | MZY | DEC | 42 1/2 | LV/XV |

| | | | | |
|----------------|-----|-----|--------|-------|
| MAY6JAN20.0C/P | MAY | JAN | 20 | AD/MD |
| MAY6JAN22.5C/P | MAY | JAN | 22 1/2 | AX/MX |
| MAY6JAN25.0C/P | MAY | JAN | 25 | AE/ME |
| MAY6JAN30.0C/P | MAY | JAN | 30 | AF/MF |
| MAY6JAN32.5C/P | MAY | JAN | 32 1/2 | AZ/MZ |
| MAY6JAN35.0C/P | MAY | JAN | 35 | AG/MG |
| MAY6JAN40.0C/P | MAY | JAN | 40 | AH/MH |
| MAY6JAN42.5C/P | MAY | JAN | 42 1/2 | AV/MV |
| MAY6JAN45.0C/P | MAY | JAN | 45 | AI/MI |

| | | | | |
|------------------|-----|-----|--------|-------|
| MZY6JAN20.0CX/PX | MZY | JAN | 20 | AD/MD |
| MZY6JAN22.5CX/PX | MZY | JAN | 22 1/2 | AX/MX |
| MZY6JAN25.0CX/PX | MZY | JAN | 25 | AE/ME |
| MZY6JAN30.0CX/PX | MZY | JAN | 30 | AF/MF |
| MZY6JAN32.5CX/PX | MZY | JAN | 32 1/2 | AZ/MZ |
| MZY6JAN35.0CX/PX | MZY | JAN | 35 | AG/MG |
| MZY6JAN40.0CX/PX | MZY | JAN | 40 | AH/MH |
| MZY6JAN42.5CX/PX | MZY | JAN | 42 1/2 | AV/MV |
| MZY6JAN45.0CX/PX | MZY | JAN | 45 | AI/MI |

May Department Stores - 2007 Leap (MAY/VUU)
(Before - Date To Be Announced
100 shares MAY)

May Department Stores - 2007 Leap (MZY/ZZN)
(Beginning - Date To Be Announced
(See New Deliverable Above)

| ISESeries | OPRA | Month | Strike | Calls/Puts |
|----------------|------|-------|--------|------------|
| MAY7JAN15.0C/P | VUU | JAN | 15 | AC/MC |
| MAY7JAN20.0C/P | VUU | JAN | 20 | AD/MD |
| MAY7JAN25.0C/P | VUU | JAN | 25 | AE/ME |
| MAY7JAN30.0C/P | VUU | JAN | 30 | AF/MF |
| MAY7JAN35.0C/P | VUU | JAN | 35 | AG/MG |
| MAY7JAN40.0C/P | VUU | JAN | 40 | AH/MH |
| MAY7JAN45.0C/P | VUU | JAN | 45 | AI/MI |
| MAY7JAN50.0C/P | VUU | JAN | 50 | AJ/MJ |

| ISESeries | OPRA | Month | Strike | Calls/Puts |
|------------------|------|-------|--------|------------|
| MZY7JAN15.0CX/PX | ZZN | JAN | 15 | AC/MC |
| MZY7JAN20.0CX/PX | ZZN | JAN | 20 | AD/MD |
| MZY7JAN25.0CX/PX | ZZN | JAN | 25 | AE/ME |
| MZY7JAN30.0CX/PX | ZZN | JAN | 30 | AF/MF |
| MZY7JAN35.0CX/PX | ZZN | JAN | 35 | AG/MG |
| MZY7JAN40.0CX/PX | ZZN | JAN | 40 | AH/MH |
| MZY7JAN45.0CX/PX | ZZN | JAN | 45 | AI/MI |
| MZY7JAN50.0CX/PX | ZZN | JAN | 50 | AJ/MJ |

Questions regarding this release may be directed to Iris Rodriguez at (212) 897-026