



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2006-119

ONN INFORMATION CIRCULAR # 1536

June 5, 2006

Retail HOLDRs (RTH)

Stock Distribution

Ex-Distribution Date: 6/7/2006

On June 2, 2006, Albertson's, Inc. (ABS), a component of the Retail HOLDRs Trust (RTH), merged with Supervalu, Inc. (SVU), and each ABS share was converted to .182 SVU Common Shares plus \$20.35 Cash. As a result, the cash portion of the merger consideration will be distributed to RTH Shareholders. The distribution ratio is \$162.80 per 100 Share round lot of RTH HOLDRS. The record date is June 9, 2006. Mail date is June 13, 2006. The American Stock Exchange has set June 7, 2006, as the ex-distribution date.

Contract Adjustments:

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

- Adjustment Date:** Effective with exercises of Wednesday, June 7, 2006 and thereafter.
- ISE Underlying Symbol(s):** RTH becomes RZH
- ISE Commodity Code:** RZH- 3731
- OPRA Option Symbol(s):** RTH/LOU/ZJS becomes RZH/WK/ZK
- No. of Contracts:** Unchanged
- Multiplier:** 100 (e.g., Premium of 1.00 = \$100)
- New Deliverable/Contract:** 1) 100 Shares of Retail HOLDRs Trust (RTH)
2) \$162.80 Cash

GTC Order Cancellation:

On Tuesday, June 6, 2006, immediately after the ISE close, all resting orders in the RTH order book will be cancelled.

Unadjusted New Shares:

New RTH series with a contract unit of 100 shares will be introduced on Thursday, June 8, 2006. Strike prices and expiration months will be announced on a separate release.

Adjusted Exercise Prices:

On Wednesday, June 7, 2006, the ex-distribution date, trading in RTH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional RTH series added prior to the ex-date will also be adjusted in the manner outlined below.

ISE Series	Retail HOLDRs (RTH) (Before 6/7/2006) (100 shrs RTH)				ISE Series	Retail HOLDRs (RZH) (Beginning 6/7/2006) (See New Deliverable Above)			
	OPRA	Month	Strike	Calls/Puts		OPRA	Month	Strike	Calls/Puts
RTH6JUN75.0C/P	RTH	JUN	75	FO/RO	RZH6JUN75.0CX/PX	RZH	JUN	75	FO/RO
RTH6JUN80.0C/P	RTH	JUN	80	FP/RP	RZH6JUN80.0CX/PX	RZH	JUN	80	FP/RP
RTH6JUN85.0C/P	RTH	JUN	85	FQ/RQ	RZH6JUN85.0CX/PX	RZH	JUN	85	FQ/RQ
RTH6JUN90.0C/P	RTH	JUN	90	FR/RR	RZH6JUN90.0CX/PX	RZH	JUN	90	FR/RR
RTH6JUN95.0C/P	RTH	JUN	95	FS/RS	RZH6JUN95.0CX/PX	RZH	JUN	95	FS/RS
RTH6JUN100.0C/P	RTH	JUN	100	FT/RT	RZH6JUN100.0CX/PX	RZH	JUN	100	FT/RT
RTH6JUN105.0C/P	RTH	JUN	105	FA/RA	RZH6JUN105.0CX/PX	RZH	JUN	105	FA/RA
RTH6JUN110.0C/P	RTH	JUN	110	FB/RB	RZH6JUN110.0CX/PX	RZH	JUN	110	FB/RB
RTH6JUN115.0C/P	RTH	JUN	115	FC/RC	RZH6JUN115.0CX/PX	RZH	JUN	115	FC/RC

Retail HOLDRs (RTH)
(Before 6/7/2006)
(100 shrs RTH)

Retail HOLDRs (RZH)
(Beginning 6/7/2006)
(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>
RTH6JUL80.0C/P	RTH	JUL	80	GP/SP	RZH6JUL80.0CX/PX	RZH	JUL	80	GP/SP
RTH6JUL85.0C/P	RTH	JUL	85	GQ/SQ	RZH6JUL85.0CX/PX	RZH	JUL	85	GQ/SQ
RTH6JUL90.0C/P	RTH	JUL	90	GR/SR	RZH6JUL90.0CX/PX	RZH	JUL	90	GR/SR
RTH6JUL95.0C/P	RTH	JUL	95	GS/SS	RZH6JUL95.0CX/PX	RZH	JUL	95	GS/SS
RTH6JUL100.0C/P	RTH	JUL	100	GT/ST	RZH6JUL100.0CX/PX	RZH	JUL	100	GT/ST
RTH6JUL105.0C/P	RTH	JUL	105	GA/SA	RZH6JUL105.0CX/PX	RZH	JUL	105	GA/SA
RTH6JUL110.0C/P	RTH	JUL	110	GB/SB	RZH6JUL110.0CX/PX	RZH	JUL	110	GB/SB
RTH6OCT80.0C/P	RTH	OCT	80	JP/VP	RZH6OCT80.0CX/PX	RZH	OCT	80	JP/VP
RTH6OCT85.0C/P	RTH	OCT	85	JQ/VQ	RZH6OCT85.0CX/PX	RZH	OCT	85	JQ/VQ
RTH6OCT90.0C/P	RTH	OCT	90	JR/VR	RZH6OCT90.0CX/PX	RZH	OCT	90	JR/VR
RTH6OCT95.0C/P	RTH	OCT	95	JS/VS	RZH6OCT95.0CX/PX	RZH	OCT	95	JS/VS
RTH6OCT100.0C/P	RTH	OCT	100	JT/VT	RZH6OCT100.0CX/PX	RZH	OCT	100	JT/VT
RTH6OCT105.0C/P	RTH	OCT	105	JA/VA	RZH6OCT105.0CX/PX	RZH	OCT	105	JA/VA
RTH6OCT110.0C/P	RTH	OCT	110	JB/VB	RZH6OCT110.0CX/PX	RZH	OCT	110	JB/VB
RTH6OCT115.0C/P	RTH	OCT	115	JC/VC	RZH6OCT115.0CX/PX	RZH	OCT	115	JC/VC
RTH6OCT120.0C/P	RTH	OCT	120	JD/VD	RZH6OCT120.0CX/PX	RZH	OCT	120	JD/VD
RTH7JAN80.0C/P	RTH	JAN	80	AP/MP	RZH7JAN80.0CX/PX	RZH	JAN	80	AP/MP
RTH7JAN85.0C/P	RTH	JAN	85	AQ/MQ	RZH7JAN85.0CX/PX	RZH	JAN	85	AQ/MQ
RTH7JAN90.0C/P	RTH	JAN	90	AR/MR	RZH7JAN90.0CX/PX	RZH	JAN	90	AR/MR
RTH7JAN95.0C/P	RTH	JAN	95	AS/MS	RZH7JAN95.0CX/PX	RZH	JAN	95	AS/MS
RTH7JAN100.0C/P	RTH	JAN	100	AT/MT	RZH7JAN100.0CX/PX	RZH	JAN	100	AT/MT
RTH7JAN105.0C/P	RTH	JAN	105	AA/MA	RZH7JAN105.0CX/PX	RZH	JAN	105	AA/MA
RTH7JAN110.0C/P	RTH	JAN	110	AB/MB	RZH7JAN110.0CX/PX	RZH	JAN	110	AB/MB

Retail HOLDRs - 2008 Leap (RTH/LOU)
(Before 6/7/2006)
(100 shrs RTH)

Retail HOLDRs - 2008 Leap (RZH/WK)
(Beginning 6/7/2006)
(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>
RTH8JAN80.0C/P	LOU	JAN	80	AP/MP	RZH8JAN80.0CX/PX	WK	JAN	80	AP/MP
RTH8JAN85.0C/P	LOU	JAN	85	AQ/MQ	RZH8JAN85.0CX/PX	WK	JAN	85	AQ/MQ
RTH8JAN90.0C/P	LOU	JAN	90	AR/MR	RZH8JAN90.0CX/PX	WK	JAN	90	AR/MR
RTH8JAN95.0C/P	LOU	JAN	95	AS/MS	RZH8JAN95.0CX/PX	WK	JAN	95	AS/MS
RTH8JAN100.0C/P	LOU	JAN	100	AT/MT	RZH8JAN100.0CX/PX	WK	JAN	100	AT/MT

Retail HOLDRs - 2009 Leap (RTH/ZJS)
(Before 6/7/2006)
(100 shrs RTH)

Retail HOLDRs - 2009 Leap (RZH/ZK)
(Beginning 6/7/2006)
(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>
RTH9JAN70.0C/P	ZJS	JAN	70	AN/MN	RZH9JAN70.0CX/PX	ZK	JAN	70	AN/MN
RTH9JAN80.0C/P	ZJS	JAN	80	AP/MP	RZH9JAN80.0CX/PX	ZK	JAN	80	AP/MP
RTH9JAN90.0C/P	ZJS	JAN	90	AR/MR	RZH9JAN90.0CX/PX	ZK	JAN	90	AR/MR
RTH9JAN100.0C/P	ZJS	JAN	100	AT/MT	RZH9JAN100.0CX/PX	ZK	JAN	100	AT/MT
RTH9JAN110.0C/P	ZJS	JAN	110	AB/MB	RZH9JAN110.0CX/PX	ZK	JAN	110	AB/MB

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