



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2006-136

ONN INFORMATION CIRCULAR # 1576

July 5, 2006

Update

Semiconductor HOLDRs Trust (SMH)

Stock Distribution

Ex-Distribution Date: 7/6/2006

On June 28, 2006, Vitesse Semiconductor Corp. (VTSS), a component of the Semiconductor HOLDRs Trust (SMH) was delisted from the NASDAQ NMS. As a result, the VTSS Common Share component of Semiconductor HOLDF Trust (SMH) will be distributed to SMH Shareholders. The distribution is .03 VTSS share for each SMH HOLDR Shar. The record date is July 10, 2006. Mail Date is July 12, 2006. The American Stock Exchange has set July 6, 2006, as the ex distribution date.

Contract Adjustments:

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

- Adjustment Date:** Effective with exercises of Thursday, July 6, 2006 and thereafter
- ISE Underlying Symbol(s):** SMH becomes SXH
SXH - 3502
- OPRA Option Symbol(s):** SMH/YRH/OTO becomes SXH/WRQ/ZTQ
- No. of Contracts:** Unchanged
- Multiplier:** 100 (e.g., Premium of 1.00 = \$100)
- New Deliverable/Contract:** 1) 100 Shares of Semiconductor HOLDRs Trust
2) \$4.26

GTC Order Cancellation:

On Wednesday, July 5, 2006, immediately after the ISE close, all resting orders in the SMH order book will be cancelled.

Unadjusted New Shares:

New SMH series with a contract unit of 100 shares will be introduced on Friday, July 7, 2006. Strike prices and expiration months will be announced on a separate release.

Adjusted Exercise Prices:

On Thursday, July 6, 2006, the ex-distribution date, trading in SMH series will be on an adjusted basis. The strike price adjustments listed below are expected based on the current outstanding series. Any additional SMH series added prior to the ex-date will also be adjusted in the manner outlined below.

Semiconductor HOLDRs Trust (SMH) (Before 7/6/2006) (100 shrs SMH)					Semiconductor HOLDR Trust (SXH) (Beginning 7/6/2006) (See New Deliverable Above)				
ISE Series	OPRA	Month	Strike	Calls/Puts	ISE Series	OPRA	Month	Strike	Calls/Puts
SMH6JUL25.0C/P	SMH	JUL	25	GE/SE	SXH6JUL25.0CX/PX	SXH	JUL	25	GE/SE
SMH6JUL27.5C/P	SMH	JUL	27 1/2	GY/SY	SXH6JUL27.5CX/PX	SXH	JUL	27 1/2	GY/SY
SMH6JUL30.0C/P	SMH	JUL	30	GF/SF	SXH6JUL30.0CX/PX	SXH	JUL	30	GF/SF
SMH6JUL32.5C/P	SMH	JUL	32 1/2	GZ/SZ	SXH6JUL32.5CX/PX	SXH	JUL	32 1/2	GZ/SZ
SMH6JUL35.0C/P	SMH	JUL	35	GG/SG	SXH6JUL35.0CX/PX	SXH	JUL	35	GG/SG
SMH6JUL37.5C/P	SMH	JUL	37 1/2	GU/SU	SXH6JUL37.5CX/PX	SXH	JUL	37 1/2	GU/SU
SMH6JUL40.0C/P	SMH	JUL	40	GH/SH	SXH6JUL40.0CX/PX	SXH	JUL	40	GH/SH
SMH6JUL42.5C/P	SMH	JUL	42 1/2	GV/SV	SXH6JUL42.5CX/PX	SXH	JUL	42 1/2	GV/SV
SMH6JUL45.0C/P	SMH	JUL	45	GI/SI	SXH6JUL45.0CX/PX	SXH	JUL	45	GI/SI

Semiconductor HOLDRs Trust (SMH)
(Before 7/6/2006)
(100 shrs SMH)

Semiconductor HOLDRs Trust (SXH)
(Beginning 7/6/2006)
(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>
SMH6AUG27.5C/P	SMH	AUG	27 1/2	HY/TY	SXH6AUG27.5CX/PX	SXH	AUG	27 1/2	HY/TY
SMH6AUG30.0C/P	SMH	AUG	30	HF/TF	SXH6AUG30.0CX/PX	SXH	AUG	30	HF/TF
SMH6AUG32.5C/P	SMH	AUG	32 1/2	HZ/TZ	SXH6AUG32.5CX/PX	SXH	AUG	32 1/2	HZ/TZ
SMH6AUG35.0C/P	SMH	AUG	35	HG/TG	SXH6AUG35.0CX/PX	SXH	AUG	35	HG/TG
SMH6AUG37.5C/P	SMH	AUG	37 1/2	HU/TU	SXH6AUG37.5CX/PX	SXH	AUG	37 1/2	HU/TU
SMH6AUG40.0C/P	SMH	AUG	40	HH/TH	SXH6AUG40.0CX/PX	SXH	AUG	40	HH/TH
SMH6AUG42.5C/P	SMH	AUG	42 1/2	HV/TV	SXH6AUG42.5CX/PX	SXH	AUG	42 1/2	HV/TV
SMH6AUG45.0C/P	SMH	AUG	45	HI/TI	SXH6AUG45.0CX/PX	SXH	AUG	45	HI/TI
SMH6AUG47.5C/P	SMH	AUG	47 1/2	HW/TW	SXH6AUG47.5CX/PX	SXH	AUG	47 1/2	HW/TW
SMH6NOV27.5C/P	SMH	NOV	27 1/2	KY/WY	SXH6NOV27.5CX/PX	SXH	NOV	27 1/2	KY/WY
SMH6NOV30.0C/P	SMH	NOV	30	KF/WF	SXH6NOV30.0CX/PX	SXH	NOV	30	KF/WF
SMH6NOV32.5C/P	SMH	NOV	32 1/2	KZ/WZ	SXH6NOV32.5CX/PX	SXH	NOV	32 1/2	KZ/WZ
SMH6NOV35.0C/P	SMH	NOV	35	KG/WG	SXH6NOV35.0CX/PX	SXH	NOV	35	KG/WG
SMH6NOV37.5C/P	SMH	NOV	37 1/2	KU/WU	SXH6NOV37.5CX/PX	SXH	NOV	37 1/2	KU/WU
SMH6NOV40.0C/P	SMH	NOV	40	KH/WH	SXH6NOV40.0CX/PX	SXH	NOV	40	KH/WH
SMH6NOV42.5C/P	SMH	NOV	42 1/2	KV/WV	SXH6NOV42.5CX/PX	SXH	NOV	42 1/2	KV/WV
SMH6NOV45.0C/P	SMH	NOV	45	KI/WI	SXH6NOV45.0CX/PX	SXH	NOV	45	KI/WI
SMH6NOV47.5C/P	SMH	NOV	47 1/2	KW/WW	SXH6NOV47.5CX/PX	SXH	NOV	47 1/2	KW/WW
SMH7JAN20.0C/P	SMH	JAN	20	AD/MD	SXH7JAN20.0CX/PX	SXH	JAN	20	AD/MD
SMH7JAN25.0C/P	SMH	JAN	25	AE/ME	SXH7JAN25.0CX/PX	SXH	JAN	25	AE/ME
SMH7JAN30.0C/P	SMH	JAN	30	AF/MF	SXH7JAN30.0CX/PX	SXH	JAN	30	AF/MF
SMH7JAN32.5C/P	SMH	JAN	32 1/2	AZ/MZ	SXH7JAN32.5CX/PX	SXH	JAN	32 1/2	AZ/MZ
SMH7JAN35.0C/P	SMH	JAN	35	AG/MG	SXH7JAN35.0CX/PX	SXH	JAN	35	AG/MG
SMH7JAN40.0C/P	SMH	JAN	40	AH/MH	SXH7JAN40.0CX/PX	SXH	JAN	40	AH/MH
SMH7JAN45.0C/P	SMH	JAN	45	AI/MI	SXH7JAN45.0CX/PX	SXH	JAN	45	AI/MI
SMH7JAN50.0C/P	SMH	JAN	50	AJ/MJ	SXH7JAN50.0CX/PX	SXH	JAN	50	AJ/MJ
SMH7JAN55.0C/P	SMH	JAN	55	AK/MK	SXH7JAN55.0CX/PX	SXH	JAN	55	AK/MK
SMH7JAN60.0C/P	SMH	JAN	60	AL/ML	SXH7JAN60.0CX/PX	SXH	JAN	60	AL/ML
SMH7FEB22.5C/P	SMH	FEB	22 1/2	BX/NX	SXH7FEB22.5CX/PX	SXH	FEB	22 1/2	BX/NX
SMH7FEB25.0C/P	SMH	FEB	25	BE/NE	SXH7FEB25.0CX/PX	SXH	FEB	25	BE/NE
SMH7FEB27.5C/P	SMH	FEB	27 1/2	BY/NY	SXH7FEB27.5CX/PX	SXH	FEB	27 1/2	BY/NY
SMH7FEB30.0C/P	SMH	FEB	30	BF/NF	SXH7FEB30.0CX/PX	SXH	FEB	30	BF/NF
SMH7FEB32.5C/P	SMH	FEB	32 1/2	BZ/NZ	SXH7FEB32.5CX/PX	SXH	FEB	32 1/2	BZ/NZ
SMH7FEB35.0C/P	SMH	FEB	35	BG/NG	SXH7FEB35.0CX/PX	SXH	FEB	35	BG/NG
SMH7FEB37.5C/P	SMH	FEB	37 1/2	BU/NU	SXH7FEB37.5CX/PX	SXH	FEB	37 1/2	BU/NU
SMH7FEB40.0C/P	SMH	FEB	40	BH/NH	SXH7FEB40.0CX/PX	SXH	FEB	40	BH/NH
SMH7FEB42.5C/P	SMH	FEB	42 1/2	BV/NV	SXH7FEB42.5CX/PX	SXH	FEB	42 1/2	BV/NV

Semiconductor HOLDRs Trust - 2008 Leap (SMH/YRH)
(Before 7/6/2006)
(100 shrs SMH)

Semiconductor HOLDRs Trust - 2008 Leap (SXH/WRQ)
(Beginning 7/6/2006)
(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>
SMH8JAN25.0C/P	YRH	JAN	25	AE/ME	SXH8JAN25.0CX/PX	WRQ	JAN	25	AE/ME
SMH8JAN30.0C/P	YRH	JAN	30	AF/MF	SXH8JAN30.0CX/PX	WRQ	JAN	30	AF/MF
SMH8JAN35.0C/P	YRH	JAN	35	AG/MG	SXH8JAN35.0CX/PX	WRQ	JAN	35	AG/MG
SMH8JAN40.0C/P	YRH	JAN	40	AH/MH	SXH8JAN40.0CX/PX	WRQ	JAN	40	AH/MH
SMH8JAN45.0C/P	YRH	JAN	45	AI/MI	SXH8JAN45.0CX/PX	WRQ	JAN	45	AI/MI

Semiconductor HOLDRs Trust - 2009 Leap (SMH/OTO)
(Before 7/6/2006)
(100 shrs SMH)

Semiconductor HOLDRs Trust - 2009 Leap (SXH/ZTQ)
(Beginning 7/6/2006)
(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>
SMH9JAN25.0C/P	OTO	JAN	25	AE/ME	SXH9JAN25.0CX/PX	ZTQ	JAN	25	AE/ME
SMH9JAN30.0C/P	OTO	JAN	30	AF/MF	SXH9JAN30.0CX/PX	ZTQ	JAN	30	AF/MF
SMH9JAN35.0C/P	OTO	JAN	35	AG/MG	SXH9JAN35.0CX/PX	ZTQ	JAN	35	AG/MG
SMH9JAN40.0C/P	OTO	JAN	40	AH/MH	SXH9JAN40.0CX/PX	ZTQ	JAN	40	AH/MH
SMH9JAN45.0C/P	OTO	JAN	45	AI/MI	SXH9JAN45.0CX/PX	ZTQ	JAN	45	AI/MI

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