



INTERNATIONAL SECURITIES EXCHANGE

SERIES ADJUSTMENTS - 2006-159

ONN INFORMATION CIRCULAR # 1622

August 10, 2006

Reynolds American Inc. (RAI)
2 For 1 Stock Split
Ex-Distribution Date: 8/15/2006

Reynolds American Inc. (RAI) has declared a 2 For 1 stock split payable to shareholders of record on July 31, 2006. Distribution date for the stock split will be Monday, August 14, 2006. Ex-distribution date for the stock split will be Tuesday, August 15, 2006.

Contract Adjustments:

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

- Adjustment Date:** Effective with exercises of Tuesday, August 15, 2006 and thereafter.
- ISE Underlying Symbol(s)** Unchanged - RAI
- OPRA Option Symbol(s):** Unchanged - (RAI/RFE/YEX/OWO/LKZ/ZFO)
- No. of Contracts:** 2
- Strike Prices:** Reduced by dividing existing strikes by 2 and rounding to the nearest eighth.
- Multiplier:** 100 (e.g., Premium of 1.00 = \$100)
- New Deliverable/Contract** Unchanged - 100 Shares of Reynolds American Inc.

GTC Order Cancellation:

On Monday, August 14, 2006, immediately after the ISE close, all resting orders in the RAI order book will be cancelled.

Position and Exercise Limits:

The ISE Surveillance Department has determined that position and exercise limits following this stock split will be 50,000,000 Shares through the January 17, 2009 expiration date at which time it will revert to its standard limit of 25,000,000 Shares.

Adjusted Exercise Prices:

Effective with the opening of business, on Tuesday, August 15, 2006, trading in RAI series will be on an adjusted basis. The strike price adjustments below are expected based on the current outstanding series. Any additional RAI series added prior to the split date will also be adjusted in the manner outlined below.

Reynolds American Inc. (RAI/RFE)
(Before 8/15/2006)
(1 Contract)

Reynolds American Inc. (RAI/RFE)
(Beginning 8/15/2006)
(2 Contracts)

<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>
RAI6AUG75.0C/P	RAI	AUG	75	HO/TO	RAI6AUG37.5CX/PX	RAI	AUG	37 1/2	HT/TT
RAI6AUG80.0C/P	RAI	AUG	80	HP/TP	RAI6AUG40.0CX/PX	RAI	AUG	40	HH/TH
RAI6AUG85.0C/P	RAI	AUG	85	HQ/TQ	RAI6AUG42.5CX/PX	RAI	AUG	42 1/2	HV/TV
RAI6AUG90.0C/P	RAI	AUG	90	HR/TR	RAI6AUG45.0CX/PX	RAI	AUG	45	HI/TI
RAI6AUG95.0C/P	RAI	AUG	95	HS/TS	RAI6AUG47.5CX/PX	RAI	AUG	47 1/2	HW/TW
RAI6AUG100.0C/P	RAI	AUG	100	HT/TT	RAI6AUG50.0CX/PX	RAI	AUG	50	HJ/TJ
RAI6AUG105.0C/P	RAI	AUG	105	HA/TA	RAI6AUG52.5CX/PX	RAI	AUG	52 1/2	HX/TX

Reynolds American Inc. (RAI/RFE)
(Before 8/15/2006)
(1 Contract)

Reynolds American Inc. (RAI/RFE)
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(2 Contracts)

<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>
RAI6AUG110.0C/P	RAI	AUG	110	HB/TB	RAI6AUG55.0CX/PX	RAI	AUG	55	HK/TK
RAI6AUG115.0C/P	RAI	AUG	115	HC/TC	RAI6AUG57.5CX/PX	RAI	AUG	57 1/2	HY/TY
RAI6AUG120.0C/P	RAI	AUG	120	HD/TD	RAI6AUG60.0CX/PX	RAI	AUG	60	HL/TL
RAI6AUG125.0C/P	RAI	AUG	125	HE/TE	RAI6AUG62.5CX/PX	RAI	AUG	62 1/2	HZ/TZ
RAI6AUG130.0C/P	RAI	AUG	130	HF/TF	RAI6AUG65.0CX/PX	RAI	AUG	65	HM/TM
RAI6AUG135.0C/P	RAI	AUG	135	HG/TG	RAI6AUG67.5CX/PX	RAI	AUG	67 1/2	HU/TU
RAI6SEP100.0C/P	RAI	SEP	100	IT/UT	RAI6SEP50.0CX/PX	RAI	SEP	50	IJ/UJ
RAI6SEP105.0C/P	RAI	SEP	105	IA/UA	RAI6SEP52.5CX/PX	RAI	SEP	52 1/2	IX/UX
RAI6SEP110.0C/P	RAI	SEP	110	IB/UB	RAI6SEP55.0CX/PX	RAI	SEP	55	IK/UK
RAI6SEP115.0C/P	RAI	SEP	115	IC/UC	RAI6SEP57.5CX/PX	RAI	SEP	57 1/2	IY/UY
RAI6SEP120.0C/P	RAI	SEP	120	ID/UD	RAI6SEP60.0CX/PX	RAI	SEP	60	IL/UL
RAI6SEP125.0C/P	RAI	SEP	125	IE/UE	RAI6SEP62.5CX/PX	RAI	SEP	62 1/2	IZ/UZ
RAI6SEP130.0C/P	RAI	SEP	130	IF/UF	RAI6SEP65.0CX/PX	RAI	SEP	65	IM/UM
RAI6SEP135.0C/P	RAI	SEP	135	IG/UG	RAI6SEP67.5CX/PX	RAI	SEP	67 1/2	IU/UU
RAI6SEP140.0C/P	RAI	SEP	140	IH/UH	RAI6SEP70.0CX/PX	RAI	SEP	70	IN/UN
RAI6NOV90.0C/P	RAI	NOV	90	KR/WR	RAI6NOV45.0CX/PX	RAI	NOV	45	KI/WI
RAI6NOV95.0C/P	RAI	NOV	95	KS/WS	RAI6NOV47.5CX/PX	RAI	NOV	47 1/2	KW/WW
RAI6NOV100.0C/P	RAI	NOV	100	KT/WT	RAI6NOV50.0CX/PX	RAI	NOV	50	KJ/WJ
RAI6NOV105.0C/P	RAI	NOV	105	KA/WA	RAI6NOV52.5CX/PX	RAI	NOV	52 1/2	KX/WX
RAI6NOV110.0C/P	RAI	NOV	110	KB/WB	RAI6NOV55.0CX/PX	RAI	NOV	55	KK/WK
RAI6NOV115.0C/P	RAI	NOV	115	KC/WC	RAI6NOV57.5CX/PX	RAI	NOV	57 1/2	KY/WY
RAI6NOV120.0C/P	RAI	NOV	120	KD/WD	RAI6NOV60.0CX/PX	RAI	NOV	60	KL/WL
RAI6NOV125.0C/P	RAI	NOV	125	KE/WE	RAI6NOV62.5CX/PX	RAI	NOV	62 1/2	KZ/WZ
RAI6NOV130.0C/P	RAI	NOV	130	KF/WF	RAI6NOV65.0CX/PX	RAI	NOV	65	KM/WM
RAI6NOV135.0C/P	RAI	NOV	135	KG/WG	RAI6NOV67.5CX/PX	RAI	NOV	67 1/2	KU/WU
RAI7JAN75.0C/P	RAI	JAN	75	AO/MO	RAI7JAN37.5CX/PX	RAI	JAN	37 1/2	AT/MT
RAI7JAN80.0C/P	RAI	JAN	80	AP/MP	RAI7JAN40.0CX/PX	RAI	JAN	40	AH/MH
RAI7JAN85.0C/P	RAI	JAN	85	AQ/MQ	RAI7JAN42.5CX/PX	RAI	JAN	42 1/2	AV/MV
RAI7JAN90.0C/P	RAI	JAN	90	AR/MR	RAI7JAN45.0CX/PX	RAI	JAN	45	AI/MI
RAI7JAN100.0C/P	RAI	JAN	100	AT/MT	RAI7JAN50.0CX/PX	RAI	JAN	50	AJ/MJ
RAI7JAN105.0C/P	RAI	JAN	105	AA/MA	RAI7JAN52.5CX/PX	RAI	JAN	52 1/2	AX/MX
RAI7JAN110.0C/P	RAI	JAN	110	AB/MB	RAI7JAN55.0CX/PX	RAI	JAN	55	AK/MK
RAI7JAN115.0C/P	RAI	JAN	115	AC/MC	RAI7JAN57.5CX/PX	RAI	JAN	57 1/2	AY/MY
RAI7JAN120.0C/P	RAI	JAN	120	AD/MD	RAI7JAN60.0CX/PX	RAI	JAN	60	AL/ML
RAI7JAN125.0C/P	RAI	JAN	125	AE/ME	RAI7JAN62.5CX/PX	RAI	JAN	62 1/2	AZ/MZ
RAI7JAN130.0C/P	RAI	JAN	130	AF/MF	RAI7JAN65.0CX/PX	RAI	JAN	65	AM/MM
RAI7JAN135.0C/P	RAI	JAN	135	AG/MG	RAI7JAN67.5CX/PX	RAI	JAN	67 1/2	AU/MU
RAI7JAN140.0C/P	RAI	JAN	140	AH/MH	RAI7JAN70.0CX/PX	RAI	JAN	70	AN/MN
RAI7JAN5.0C/P	RFE	JAN	5	AA/MA	RAI7JAN2.5CX/PX	RFE	JAN	2 1/2	AZ/MZ
RAI7JAN10.0C/P	RFE	JAN	10	AB/MB	RAI7JAN5.0CX/PX	RFE	JAN	5	AA/MA
RAI7JAN15.0C/P	RFE	JAN	15	AC/MC	RAI7JAN7.5CX/PX	RFE	JAN	7 1/2	AU/MU
RAI7JAN20.0C/P	RFE	JAN	20	AD/MD	RAI7JAN10.0CX/PX	RFE	JAN	10	AB/MB
RAI7JAN25.0C/P	RFE	JAN	25	AE/ME	RAI7JAN12.5CX/PX	RFE	JAN	12 1/2	AV/MV
RAI7JAN30.0C/P	RFE	JAN	30	AF/MF	RAI7JAN15.0CX/PX	RFE	JAN	15	AC/MC
RAI7JAN35.0C/P	RFE	JAN	35	AG/MG	RAI7JAN17.5CX/PX	RFE	JAN	17 1/2	AW/MM
RAI7JAN40.0C/P	RFE	JAN	40	AH/MH	RAI7JAN20.0CX/PX	RFE	JAN	20	AD/MD
RAI7JAN45.0C/P	RFE	JAN	45	AI/MI	RAI7JAN22.5CX/PX	RFE	JAN	22 1/2	AX/MX
RAI7JAN50.0C/P	RFE	JAN	50	AJ/MJ	RAI7JAN25.0CX/PX	RFE	JAN	25	AE/ME
RAI7JAN55.0C/P	RFE	JAN	55	AK/MK	RAI7JAN27.5CX/PX	RFE	JAN	27 1/2	AY/MY

Reynolds American Inc. (RAI/RFE)
(Before 8/15/2006)
(1 Contract)

Reynolds American Inc. (RAI/RFE)
(Beginning 8/15/2006)
(2 Contracts)

<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>
RAI7JAN60.0C/P	RFE	JAN	60	AL/ML	RAI7JAN30.0CX/PX	RFE	JAN	30	AF/MF
RAI7JAN65.0C/P	RFE	JAN	65	AM/MM	RAI7JAN32.5CX/PX	RFE	JAN	32 1/2	AS/MS
RAI7JAN70.0C/P	RFE	JAN	70	AN/MN	RAI7JAN35.0CX/PX	RFE	JAN	35	AG/MG
RAI7FEB90.0C/P	RAI	FEB	90	BR/NR	RAI7FEB45.0CX/PX	RAI	FEB	45	BI/NI
RAI7FEB95.0C/P	RAI	FEB	95	BS/NS	RAI7FEB47.5CX/PX	RAI	FEB	47 1/2	BW/NW
RAI7FEB100.0C/P	RAI	FEB	100	BT/NT	RAI7FEB50.0CX/PX	RAI	FEB	50	BJ/NJ
RAI7FEB105.0C/P	RAI	FEB	105	BA/NA	RAI7FEB52.5CX/PX	RAI	FEB	52 1/2	BX/NX
RAI7FEB110.0C/P	RAI	FEB	110	BB/NB	RAI7FEB55.0CX/PX	RAI	FEB	55	BK/NK
RAI7FEB115.0C/P	RAI	FEB	115	BC/NC	RAI7FEB57.5CX/PX	RAI	FEB	57 1/2	BY/NY
RAI7FEB120.0C/P	RAI	FEB	120	BD/ND	RAI7FEB60.0CX/PX	RAI	FEB	60	BL/NL
RAI7FEB125.0C/P	RAI	FEB	125	BE/NE	RAI7FEB62.5CX/PX	RAI	FEB	62 1/2	BZ/NZ
RAI7FEB130.0C/P	RAI	FEB	130	BF/NF	RAI7FEB65.0CX/PX	RAI	FEB	65	BM/NM
RAI7FEB135.0C/P	RAI	FEB	135	BG/NG	RAI7FEB67.5CX/PX	RAI	FEB	67 1/2	BU/NU
RAI7FEB140.0C/P	RAI	FEB	140	BH/NH	RAI7FEB70.0CX/PX	RAI	FEB	70	BN/NN

Reynolds American Inc. - 2008 Leap (RAI/YEX/LKZ)
(Before 8/15/2006)
(1 Contract)

Reynolds American Inc. - 2008 Leap (RAI/YEX/LKZ)
(Beginning 8/15/2006)
(2 Contracts)

<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>
RAI8JAN35.0C/P	YEX	JAN	35	AG/MG	RAI8JAN17.5CX/PX	YEX	JAN	17 1/2	AW/MW
RAI8JAN40.0C/P	YEX	JAN	40	AH/MH	RAI8JAN20.0CX/PX	YEX	JAN	20	AD/MD
RAI8JAN45.0C/P	YEX	JAN	45	AI/MI	RAI8JAN22.5CX/PX	YEX	JAN	22 1/2	AX/MX
RAI8JAN50.0C/P	YEX	JAN	50	AJ/MJ	RAI8JAN25.0CX/PX	YEX	JAN	25	AE/ME
RAI8JAN55.0C/P	YEX	JAN	55	AK/MK	RAI8JAN27.5CX/PX	YEX	JAN	27 1/2	AY/MY
RAI8JAN60.0C/P	YEX	JAN	60	AL/ML	RAI8JAN30.0CX/PX	YEX	JAN	30	AF/MF
RAI8JAN65.0C/P	YEX	JAN	65	AM/MM	RAI8JAN32.5CX/PX	YEX	JAN	32 1/2	AS/MS
RAI8JAN70.0C/P	YEX	JAN	70	AN/MN	RAI8JAN35.0CX/PX	YEX	JAN	35	AG/MG
RAI8JAN75.0C/P	YEX	JAN	75	AO/MO	RAI8JAN37.5CX/PX	YEX	JAN	37 1/2	AT/MT
RAI8JAN80.0C/P	YEX	JAN	80	AP/MP	RAI8JAN40.0CX/PX	YEX	JAN	40	AH/MH
RAI8JAN85.0C/P	YEX	JAN	85	AQ/MQ	RAI8JAN42.5CX/PX	YEX	JAN	42 1/2	AV/MV
RAI8JAN90.0C/P	YEX	JAN	90	AR/MR	RAI8JAN45.0CX/PX	YEX	JAN	45	AI/MI
RAI8JAN95.0C/P	YEX	JAN	95	AS/MS	RAI8JAN47.5CX/PX	YEX	JAN	47 1/2	AW/MW
RAI8JAN100.0C/P	YEX	JAN	100	AT/MT	RAI8JAN50.0CX/PX	YEX	JAN	50	AJ/MJ
RAI8JAN105.0C/P	LKZ	JAN	105	AA/MA	RAI8JAN52.5CX/PX	LKZ	JAN	52 1/2	AX/MX
RAI8JAN110.0C/P	LKZ	JAN	110	AB/MB	RAI8JAN55.0CX/PX	LKZ	JAN	55	AK/MK
RAI8JAN115.0C/P	LKZ	JAN	115	AC/MC	RAI8JAN57.5CX/PX	LKZ	JAN	57 1/2	AY/MY
RAI8JAN120.0C/P	LKZ	JAN	120	AD/MD	RAI8JAN60.0CX/PX	LKZ	JAN	60	AL/ML
RAI8JAN125.0C/P	LKZ	JAN	125	AE/ME	RAI8JAN62.5CX/PX	LKZ	JAN	62 1/2	AZ/MZ
RAI8JAN130.0C/P	LKZ	JAN	130	AF/MF	RAI8JAN65.0CX/PX	LKZ	JAN	65	AM/MM
RAI8JAN135.0C/P	LKZ	JAN	135	AG/MG	RAI8JAN67.5CX/PX	LKZ	JAN	67 1/2	AU/MU
RAI8JAN140.0C/P	LKZ	JAN	140	AH/MH	RAI8JAN70.0CX/PX	LKZ	JAN	70	AN/MN

Reynolds American Inc. - 2009 Leap (RAI/OWO/ZFO)
 (Before 8/15/2006)
 (1 Contract)

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 (2 Contracts)

<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>
RAI9JAN35.0C/P	OWO	JAN	35	AG/MG	RAI9JAN17.5CX/PX	OWO	JAN	17 1/2	AW/MW
RAI9JAN40.0C/P	OWO	JAN	40	AH/MH	RAI9JAN20.0CX/PX	OWO	JAN	20	AD/MD
RAI9JAN45.0C/P	OWO	JAN	45	AI/MI	RAI9JAN22.5CX/PX	OWO	JAN	22 1/2	AX/MX
RAI9JAN50.0C/P	OWO	JAN	50	AJ/MJ	RAI9JAN25.0CX/PX	OWO	JAN	25	AE/ME
RAI9JAN60.0C/P	OWO	JAN	60	AL/ML	RAI9JAN30.0CX/PX	OWO	JAN	30	AF/MF
RAI9JAN70.0C/P	OWO	JAN	70	AN/MN	RAI9JAN35.0CX/PX	OWO	JAN	35	AG/MG
RAI9JAN80.0C/P	OWO	JAN	80	AP/MP	RAI9JAN40.0CX/PX	OWO	JAN	40	AH/MH
RAI9JAN90.0C/P	OWO	JAN	90	AR/MR	RAI9JAN45.0CX/PX	OWO	JAN	45	AI/MI
RAI9JAN100.0C/P	OWO	JAN	100	AT/MT	RAI9JAN50.0CX/PX	OWO	JAN	50	AJ/MJ
RAI9JAN110.0C/P	OWO	JAN	110	AB/MB	RAI9JAN55.0CX/PX	OWO	JAN	55	AK/MK
RAI9JAN120.0C/P	OWO	JAN	120	AD/MD	RAI9JAN60.0CX/PX	OWO	JAN	60	AL/ML
RAI9JAN130.0C/P	OWO	JAN	130	AF/MF	RAI9JAN65.0CX/PX	OWO	JAN	65	AM/MM
RAI9JAN135.0C/P	ZFO	JAN	135	AG/MG	RAI9JAN67.5CX/PX	ZFO	JAN	67 1/2	AU/MU
RAI9JAN140.0C/P	ZFO	JAN	140	AH/MH	RAI9JAN70.0CX/PX	ZFO	JAN	70	AN/MN

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