



MEMORANDUM

To: All Members, Participants and Related Parties

From: BOX Market Operations Center

Date: January 23, 2006

Re: Internet HOLDRs Trust (HHH) - Special Cash Dividend

Internet HOLDRs Trust (HHH) has declared a special cash dividend of \$.54 payable to share holders of record on Tuesday, January 17, 2006. Distribution date for the special cash dividend will be Thursday, January 26, 2006. Ex-distribution date for the special cash dividend will be Friday, January 27, 2006.

On the ex-distribution date, the Options Clearing Corporation (OCC), pursuant to OCC By-Laws, shall adjust each HHH series by the method described below.

Please note that the already adjusted HMH/ZFA/LAH series currently call for the delivery of: 1) 100 shares of HHH, plus 2) \$30.00 cash. The options will be further adjusted to reflect the new deliverable of: 1) 100 shares of HHH, plus 2) \$84.00 cash. The options symbols for the adjusted HMH/ZFA/LAH will remain the same.

Adjustment Date:	Effective Friday, January 27, 2006
BOX Symbol:	HHH becomes HWE
Symbol(s):	HHH/OHH/WHB becomes HWE/ZIE/YKE
Strike Price:	Unchanged
Multiplier:	100 (e.g., Premium of 1.00 = \$100)
New Deliverable:	1) 100 Shares of Internet HOLDRs Trust (HHH) 2) \$54.00 Cash

Previously Adjusted:	
BOX Underlying Symbol:	HMH remains Unchanged
Symbol(s):	HMH/ZFA/LAH remain Unchanged
No. of Contracts:	Unchanged
Multiplier:	100 (e.g., Premium of 1.00 = \$100)
New Deliverable/Contract:	1) 100 Shares of Internet HOLDRs Trust (HHH) 2) \$84.00 Cash (\$30.00 + \$54.00)

PLEASE NOTE - DUE TO THE ADJUSTED OPTIONS INVOLVING AN UNDERLYING CONSISTING OF BOTH 'HHH' AND 'CASH', THE UNDERLYING SYMBOL FOR THESE ADJUSTED OPTIONS WILL BE LISTED ON THE BOX PLATFORM AS 'HWE'. CONSEQUENTLY, EACH PARTICIPANT MAY NEED TO MANUALLY PRICE THE ADJUSTED OPTIONS DUE TO THE FACT THAT 'HWE' DOES NOT TRADE AS AN UNDERLYING ON THE U.S. MARKET.

GOOD-TILL-CANCELLED (GTC) ORDERS

On the day of the effective date of the merger after the BOX market close, all resting orders for HHH options in the BOX order book will be cancelled by the BOX Market Operations Center. If a BOX participant wishes to enter orders for the adjusted HWE series, the BOX participant will need to reenter the orders before the open on the next trading day.

The resulting list of adjusted strike prices and symbols is as follow:

Internet HOLDRs Trust (HHH) (Before 1/27/2006) (100 shrs HHH)					Internet HOLDRs Trust (HWE) (Beginning 1/27/2006) (See New Deliverable)				
			Calls	Puts				Calls	Puts
HHH	FEB	45	BI	NI	HWE	FEB	45	BI	NI
HHH	FEB	50	BJ	NJ	HWE	FEB	50	BJ	NJ
HHH	FEB	55	BK	NK	HWE	FEB	55	BK	NK
HHH	FEB	60	BL	NL	HWE	FEB	60	BL	NL
HHH	FEB	65	BM	NM	HWE	FEB	65	BM	NM
HHH	FEB	70	BN	NN	HWE	FEB	70	BN	NN
HHH	FEB	75	BO	NO	HWE	FEB	75	BO	NO
HHH	MAR	45	CI	OI	HWE	MAR	45	CI	OI
HHH	MAR	50	CJ	OJ	HWE	MAR	50	CJ	OJ
HHH	MAR	55	CK	OK	HWE	MAR	55	CK	OK
HHH	MAR	60	CL	OL	HWE	MAR	60	CL	OL
HHH	MAR	65	CM	OM	HWE	MAR	65	CM	OM
HHH	MAR	70	CN	ON	HWE	MAR	70	CN	ON
HHH	MAR	75	CO	OO	HWE	MAR	75	CO	OO
HHH	MAR	80	CP	OP	HWE	MAR	80	CP	OP
HHH	MAR	85	CQ	OQ	HWE	MAR	85	CQ	OQ
Internet HOLDRs Trust (HHH) (Before 1/27/2006) (100 shrs HHH)					Internet HOLDRs Trust (HWE) (Beginning 1/27/2006) (See New Deliverable)				
			Calls	Puts				Calls	Puts
HHH	MAY	40	EH	QH	HWE	MAY	40	EH	QH
HHH	MAY	45	EI	QI	HWE	MAY	45	EI	QI
HHH	MAY	50	EJ	QJ	HWE	MAY	50	EJ	QJ
HHH	MAY	55	EK	QK	HWE	MAY	55	EK	QK
HHH	MAY	60	EL	QL	HWE	MAY	60	EL	QL
HHH	MAY	65	EM	QM	HWE	MAY	65	EM	QM
HHH	MAY	70	EN	QN	HWE	MAY	70	EN	QN
HHH	MAY	75	EO	QO	HWE	MAY	75	EO	QO
HHH	MAY	80	EP	QP	HWE	MAY	80	EP	QP
HHH	AUG	50	HJ	TJ	HWE	AUG	50	HJ	TJ
HHH	AUG	55	HK	TK	HWE	AUG	55	HK	TK
HHH	AUG	60	HL	TL	HWE	AUG	60	HL	TL
HHH	AUG	65	HM	TM	HWE	AUG	65	HM	TM
HHH	AUG	70	HN	TN	HWE	AUG	70	HN	TN
HHH	AUG	75	HO	TO	HWE	AUG	75	HO	TO
HHH	AUG	80	HP	TP	HWE	AUG	80	HP	TP
HHH	AUG	85	HQ	TQ	HWE	AUG	85	HQ	TQ
HHH	AUG	90	HR	TR	HWE	AUG	90	HR	TR

Internet HOLDRs Trust - 2007 Leap (OHH)
 (Before 1/27/2006)
 (100 shrs HHH)

			Calls	Put
OHH	JAN	45	AI	MI
OHH	JAN	50	AJ	MJ
OHH	JAN	55	AK	MK
OHH	JAN	60	AL	ML
OHH	JAN	65	AM	MM
OHH	JAN	70	AN	MN

Internet HOLDRs Trust - 2007 Leap (ZIE)
 (Beginning 1/27/2006)
 (See New Deliverable)

			Calls	Put
ZIE	JAN	45	AI	MI
ZIE	JAN	50	AJ	MJ
ZIE	JAN	55	AK	MK
ZIE	JAN	60	AL	ML
ZIE	JAN	65	AM	MM
ZIE	JAN	70	AN	MN

Internet HOLDRs Trust - 2008 Leap (WHB)
 (Before 1/27/2006)
 (100 shrs HHH)

			Calls	Put
WHB	JAN	45	AI	MI
WHB	JAN	50	AJ	MJ
WHB	JAN	55	AK	MK
WHB	JAN	60	AL	ML
WHB	JAN	65	AM	MM
WHB	JAN	70	AN	MN

Internet HOLDRs Trust - 2008 Leap (YKE)
 (Beginning 1/27/2006)
 (See New Deliverable)

			Calls	Put
YKE	JAN	45	AI	MI
YKE	JAN	50	AJ	MJ
YKE	JAN	55	AK	MK
YKE	JAN	60	AL	ML
YKE	JAN	65	AM	MM
YKE	JAN	70	AN	MN

Questions regarding this release may be directed to the BOX Market Operations Center at 1-617-235-224
 or 1-866-768-8845 Toll Free

