EQUITY OPTIONS

Information Circular

#04-0268 Derivative Securities

AMERICAN STOCK EXCHANGE
Equities Options ETFs

Date **May 4, 2004**

To **Members, Member Organizations and Registered Option Principals**

From **Ann B. Pierre, Options Research Manager**

Subject **BorgWarner Inc. (BWA) - 2-for-1 Stock Split Adjustment**

BorgWarner Inc. (BWA) has declared a 2-for-1 split of its outstanding common stock. The ex-distribution date for the split, as established by the New York Stock Exchange, is **Tuesday, May 18, 2004.**

Accordingly, pursuant to the rules of The Options Clearing Corporation ("OCC"), all option contracts outstanding on ex-date must be adjusted in two respects as follows:

1. OCC will issue one additional contract for each outstanding option contract; and
2. The exercise price of each outstanding option series will be divided in half and rounded to the nearest eighth.

Based on presently outstanding option series, the "adjusted" series with symbols are expected to be as follows:

		EXISTING ISSUE (1 Contract)		BECOMES	ADJUSTED ISSUE (2 Contracts)	
		Calls	**Puts**		**Calls**	**Puts**
MAY	75	BWAEO	BWAQO	37 ½	BWAEU	BWAQU
	80	BWAEP	BWAQP	40	BWAEH	BWAQH
	85	BWAEQ	BWAQQ	42 ½	BWAEV	BWAQV
	90	BWAER	BWAQR	45	BWAEI	BWAQI
	95	BWAES	BWAQS	47 ½	BWAEW	BWAQW
	100	BWAET	BWAQT	50	BWAEJ	BWAQJ
	105	BWAEA	BWAQA	52 ½	BWAEX	BWAQX
JUN	75	BWAFO	BWARO	37 ½	BWAFR	BWARR
	80	BWAFP	BWARP	40	BWAFH	BWARH
	85	BWAFQ	BWARQ	42 ½	BWAFV	BWARV
	90	BWAFR	BWARR	45	BWAFI	BWARI
	95	BWAFS	BWARS	47 ½	BWAFW	BWARW
	100	BWAFT	BWART	50	BWAFJ	BWARJ
	105	BWAFA	BWARA	52 ½	BWAFX	BWARX
JUL	70	BWAGN	BWASN	35	BWAGG	BWASG
	75	BWAGO	BWASO	37 ½	BWAGR	BWASR
	80	BWAGP	BWASP	40	BWAGH	BWASH
	85	BWAGQ	BWASQ	42 ½	BWAGV	BWASV
	90	BWAGR	BWASR	45	BWAGI	BWASI
	95	BWAGS	BWASS	47 ½	BWAGW	BWASW
	100	BWAGT	BWAST	50	BWAGJ	BWASJ
	105	BWAGA	BWASA	52 ½	BWAGX	BWASX
	110	BWAGB	BWASB	55	BWAGK	BWASK
	115	BWAGC	BWASC	57 ½	BWAGY	BWASY
OCT	75	BWAJO	BWAVO	37 ½	BWAJR	BWAVR
	80	BWAJP	BWAVP	40	BWAJH	BWAVH
	85	BWAJQ	BWAVQ	42 ½	BWAJV	BWAVV
	90	BWAJR	BWAVR	45	BWAJI	BWAVI
	95	BWAJS	BWAVS	47 ½	BWAJW	BWAVW
	100	BWAJT	BWAVT	50	BWAJJ	BWAVJ
	105	BWAJA	BWAVA	52 ½	BWAJX	BWAVX
	110	BWAJB	BWAVB	55	BWAJK	BWAVK
	115	BWAJC	BWAVC	57 ½	BWAJY	BWAVY
	120	BWAJD	BWAVD	60	BWAJL	BWAVL
	125	BWAJE	BWAVE	62 ½	BWAJZ	BWAVZ
	130	BWAJF	BWAVF	65	BWAJM	BWAVM
	135	BWAJG	BWAVG	67 ½	BWAJU	BWAVU
	140	BWAJH	BWAVH	70	BWAJN	BWAVN
	145	BWAJI	BWAVI	72 ½	BWAJT	BWAVT
	150	BWAJJ	BWAVJ	75	BWAJO	BWAVO
JAN 2005	60	ZZAAL	ZZAML	30	ZZAAF	ZZAMF
	65	ZZAAM	ZZAMM	32 ½	ZZAAQ	ZZAMQ
	70	ZZAAN	ZZAMN	35	ZZAAG	ZZAMG
	75	ZZAAO	ZZAMO	37 ½	ZZAAR	ZZAMR
	80	ZZAAP	ZZAMP	40	ZZAAH	ZZAMH
	85	ZZAAQ	ZZAMQ	42 ½	ZZAAV	ZZAMV
	90	ZZAAR	ZZAMR	45	ZZAAI	ZZAMI
	95	ZZAAS	ZZAMS	47 ½	ZZAAW	ZZAMW
	100	ZZAAT	ZZAMT	50	ZZAAJ	ZZAMJ
	105	ZZAAA	ZZAMA	52 ½	ZZAAX	ZZAMX
	110	ZZAAB	ZZAMB	55	ZZAAK	ZZAMK
	115	ZZAAC	ZZAMC	57 ½	ZZAAY	ZZAMY
JAN 2006	60	WWLAL	WWLML	30	WWLAF	WWLMF
	65	WWLAM	WWLMM	32 ½	WWLAQ	WWLMQ
	70	WWLAN	WWLMN	35	WWLAG	WWLMG
	75	WWLAO	WWLMO	37 ½	WWLAR	WWLMR
	80	WWLAP	WWLMP	40	WWLAH	WWLMH
	85	WWLAQ	WWLMQ	42 ½	WWLAV	WWLMV
	90	WWLAR	WWLMR	45	WWLAI	WWLMI
	95	WWLAS	WWLMS	47 ½	WWLAW	WWLMW
	100	WWLAT	WWLMT	50	WWLAJ	WWLMJ

105	WWLAA	WWLMA	52 ½	WWLAX	WWLMX
110	WWLAB	WWLMB	55	WWLAK	WWLMK
115	WWLAC	WWLMC	57 ½	WWLAY	WWLMY

Any additional series added prior to the ex-date will also be adjusted in the manner described above.

GTC Orders

With regard to the treatment of "good 'til canceled" ("GTC") orders placed on the specialist's book prior to ex-date, customers should be advised that the contract terms of such orders will be automatically adjusted as to exercise price number of contracts and prices on limit orders. **It is recommended that member firms advise customers of these adjustment procedures and confirm GTC orders with them. It is also important to note that with respect to any adjusted call option series, a covered writer must retain the additional shares in order to remain covered.**

Position and Exercise Limits

The Exchange has established that the position and exercise limits shall be 4,500,000 contracts on the same side of the market through January 2006 expiration at which time the position and exercise limits will revert to the standard limit of 2,250,000.

Special Operational Requirements

Member firms are advised that DKs resolved on ex-date morning in the Exchange's options reconciliation room must reflect adjustments as to the exercise price and execution price.

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Questions concerning this circular may be directed to the AMEX Derivative Securities Hotline: (800) THE-AMEX. Copies of this and other Information Circulars may be accessed on our AMEXTRADER.com website.