



**DATE:** DECEMBER 17, 2018

**SUBJECT:** SPECTRA ENERGY PARTNERS, LP - CONTRACT ADJUSTMENT  
OPTION SYMBOLS: 12/17/18 – SEP remains SEP  
12/18/18 – SEP becomes ENB2  
12/17/18 – 1SEP remains 1SEP  
12/18/18 – 1SEP becomes 1ENB2  
FUTURES SYMBOL: 12/17/18 – SEP1D remains SEP1D  
12/18/18 – SEP1D becomes SEP2D  
**DATE:** 12/17/18

**CONTRACT ADJUSTMENT**

**DATE:** December 17, 2018

**OPTION SYMBOLS:** 12/17/18 – SEP remains SEP (with adjusted deliverable described below)  
12/18/18 – SEP becomes ENB2  
12/17/18 – 1SEP remains 1SEP (with adjusted deliverable described below)  
12/18/18 – 1SEP becomes 1ENB2

**STRIKE DIVISOR:** 1

**CONTRACTS MULTIPLIER:** 1

**NEW MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 35 yields \$3,500.00)

**NEW DELIVERABLE PER CONTRACT:** 1) 111 Enbridge Inc. (ENB) Common Shares  
2) Cash in lieu of 0.1 fractional ENB share

**CUSIP:** ENB: 29250N105

**PRICING**

Until the cash in lieu amount is determined, the underlying price for ENB2/1ENB2 will be determined as follows:

$$\text{ENB2} = 1.111 (\text{ENB})$$

**DELAYED SETTLEMENT**

The ENB component of the ENB2/1ENB2 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the ENB2/1ENB2 deliverable until the

cash in lieu of fractional ENB shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

## **FUTURES CONTRACT ADJUSTMENT**

DATE: December 17, 2018

FUTURES SYMBOL: 12/17/18 – SEP1D remains SEP1D (with adjusted deliverable described below)  
12/18/18 – SEP1D becomes SEP2D

NUMBER OF CONTRACTS: No Change

MULTIPLIER 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT: 1) 111 Enbridge Inc. Common Shares  
2) Cash in lieu of 0.1 fractional ENB share

CUSIP: ENB: 29250N105

## **PRICING**

Until the cash in lieu amount is determined, the underlying price for the SEP2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{SEP2D} = 1.111 (\text{ENB})$$

Please note that the valuation would apply only to the SEP2D deliverable in terms of current market value of the deliverable securities. The resulting price would not be equivalent to the daily settlement price of a futures contract month, whose determination would include cost of money carrying charges, adjustment for dividends, and other factors.

## **DELAYED SETTLEMENT**

The ENB component of the SEP2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the SEP2D deliverable until the cash in lieu of fractional ENB shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

## **BACKGROUND**

Pursuant to the terms of the Merger Agreement, Enbridge Inc. (ENB) and Enbridge (U.S.) Inc., which as of November 5, 2018 together owned approximately 83.1% of the outstanding SEP common units, have delivered a written consent approving the merger between ENB and Spectra Energy Partners, LP (SEP). The merger was consummated before the open on December 17, 2018. As a result, each existing SEP Common Unit will be converted into the right to receive 1.111 ENB Common Shares. Cash will be paid in lieu of fractional ENB shares.

## **DISCLAIMER**

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for

the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email [investorservices@theooc.com](mailto:investorservices@theooc.com). Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theooc.com](mailto:memberservices@theooc.com).