



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#46378**

**DATE: JANUARY 22, 2020**

**SUBJECT: TEEKAY OFFSHORE PARTNERS L.P. (ELECTION MERGER) –  
CASH SETTLEMENT/ACCELERATION OF EXPIRATIONS  
OPTION SYMBOL: TOO  
DATE: 1/23/20**

Brookfield Business Partners L.P. and certain of its affiliates, which, as of December 11, 2019, held approximately 73% of outstanding Common Units of Teekay Offshore Partners L.P. (TOO), delivered written consent for the adoption of the merger agreement between TOO and affiliates of Brookfield Business Partners L.P. The merger was subsequently consummated on January 22, 2020. As a result, each existing TOO Common Unit will be converted into the right to receive \$1.55 net cash per unit or, if elected by the TOO Unitholder, one newly designated unlisted Class A Common Unit of the Partnership (a “Class A Common Unit”).

Note: The Class A Common Units will not be listed for trading on any national securities exchange and will be non-transferable.

**The Merger: Individual Unit Elections**

Within the terms of the Merger, individual TOO Unitholders could:

- Register no preference by not making an election and receive \$1.55 Cash per TOO Unit held, OR
- Elect to receive one Class A Common Unit per TOO Unit held

Elections had to be submitted to the exchange agent, Computershare Trust Company N.A. The election deadline was at 12:00AM New York time, on January 14, 2020. TOO Unitholders must observe all terms and conditions for the election as specified in the TOO Information Statement dated December 11, 2019.

**CONTRACT ADJUSTMENT**

**DATE:** January 23, 2020

**NEW DELIVERABLE  
PER CONTRACT:**

The deliverable for adjusted TOO options will be **BASED ON THE MERGER CONSIDERATION WHICH ACCRUES TO NON-ELECTING TOO UNITHOLDERS** (stated in terms of a current 100-Share deliverable):

\$155.00 Cash (\$1.55 x 100)

Settlement in TOO options will take place through OCC's cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable.

### **ACCELERATION OF EXPIRATIONS**

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash only delivery will be subject to an acceleration of the expiration dates for outstanding option series (See OCC Information Memo 23988). Additionally, the exercise by exception (ex by ex) threshold for expiring series will be \$.01 in all account types.

All series of Teekay Offshore Partners L.P. options whose expiration dates are after 2-21-20 will have their expiration dates advanced to 2-21-20. Expiration dates occurring before 2-21-20 (e.g., Flex options) will remain unchanged.

All Teekay Offshore Partners L.P. options will utilize a \$.01 exercise threshold.

Option Symbol: TOO  
Existing Expiration: All months  
New Expiration date: 2-21-20

Existing American-style Teekay Offshore Partners L.P. options remain exercisable at the option of the holder prior to their expiration. Exercised options will continue to settle in two business days.

### **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@theocc.com](mailto:investorservices@theocc.com). Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theocc.com](mailto:memberservices@theocc.com).