



#40728

**DATE:** FEBRUARY 27, 2017

**SUBJECT:** SPECTRA ENERGY CORPORATION - CONTRACT ADJUSTMENT  
OPTION SYMBOLS: 2/27/17 - SE remains SE  
2/28/17 - SE becomes ENB1  
2/27/17 - 2SE remains 2SE  
2/28/17 - 2SE becomes 2ENB1  
FUTURES SYMBOLS: 2/27/17 - SE1C remains SE1C  
2/28/17 - SE1C becomes SEC2C  
2/27/17 - SE1D remains SE1D  
2/28/17 - SE1D becomes SE2D  
2/27/17 - SE4M remains SE4M  
2/27/17 - SE4T remains SE4T  
2/28/17 - SE4T becomes SE6T  
2/27/17 - SE1W remains SE1W  
2/28/17 - SE1W becomes SE6W  
2/27/17 - SE1H remains SE1H  
2/28/17 - SE1H becomes SE6H  
2/27/17 - SE1F remains SE1F  
2/28/17 - SE1F becomes SE6F  
2/27/17 - SE1M remains SE1M  
2/28/17 - SE1M becomes SE6M

**DATE: 2/27/17**

**Contract Adjustment**

**DATE:** February 27, 2017

**OPTION SYMBOLS:** 2/27/17 - SE remains SE (with adjusted deliverable described below)  
2/28/17 - SE becomes ENB1  
2/27/17 - 2SE remains 2SE (with adjusted deliverable described below)  
2/28/17 - 2SE becomes 2ENB1

**STRIKE DIVISOR:** 1

**CONTRACTS MULTIPLIER:** 1

**NEW MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 41 yields \$4,100.00)

**NEW DELIVERABLE PER CONTRACT:** 1) 98 Enbridge Inc. (ENB) Common Shares  
2) Cash in lieu of 0.4 fractional ENB shares

**CUSIP:** ENB: 29250N105

## **PRICING**

Until the cash in lieu amount is determined, the underlying price for ENB1 will be determined as follows:

$$\text{ENB1} = 0.984 (\text{ENB})$$

## **DELAYED SETTLEMENT**

The ENB component of the ENB1/2ENB1 deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the ENB1/2ENB1 deliverables 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:	February 27, 2017
FUTURES SYMBOLS:	2/27/17 - SE1C remains SE1C (with adjusted deliverable described below) 2/28/17 - SE1C becomes SEC2C 2/27/17 - SE1D remains SE1D (with adjusted deliverable described below) 2/28/17 - SE1D becomes SE2D 2/27/17 - SE4M remains SE4M (with adjusted deliverable described below) 2/27/17 - SE4T remains SE4T (with adjusted deliverable described below) 2/28/17 - SE4T becomes SE6T 2/27/17 - SE1W remains SE1W (with adjusted deliverable described below) 2/28/17 - SE1W becomes SE6W 2/27/17 - SE1H remains SE1H (with adjusted deliverable described below) 2/28/17 - SE1H becomes SE6H 2/27/17 - SE1F remains SE1F (with adjusted deliverable described below) 2/28/17 - SE1F becomes SE6F 2/27/17 - SE1M remains SE1M 2/28/17 - SE1M becomes SE6M
NUMBER OF CONTRACTS:	No Change
MULTIPLIER	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT:	1) 98 Enbridge Inc. Common Shares 2) Cash in lieu of 0.4 fractional ENB shares
CUSIP:	ENB: 29250N105

## **PRICING**

Until the cash in lieu amount is determined, the underlying price for the SE2C/SE2D/SE6M/SE6T/SE6W/SE6H/SE6F Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{SE2C} = 0.984 (\text{ENB})$$

Please note that the valuation would apply only to the SE2C/SE2D/SE6M/SE6T/SE6W/SE6H/SE6F 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 SE2C/SE2D/SE6M/SE6T/SE6W/SE6H/SE6F deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the SE2C/SE2D/SE6M/SE6T/SE6W/SE6H/SE6F 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**

On December 15, 2016, Shareholders of Spectra Energy Corporation (SE) voted concerning the proposed merger with Enbridge Inc. (ENB). The merger was approved and subsequently consummated before the open on February 27, 2017. As a result, each existing SE Common Share will be converted into the right to receive 0.984 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 a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. 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).