



#32532

TO: ALL CLEARING MEMBERS

DATE: APRIL 16, 2013

SUBJECT: VALERO ENERGY CORPORATION - DISTRIBUTION
OPTION SYMBOLS: VLO/2VLO
NEW SYMBOLS: VLO1/2VLO1
FUTURES SYMBOLS: VLO1C/VLO1D
NEW SYMBOLS: VLO2C/VLO2D
DATE: 5/2/13

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: May 2, 2013

OPTION SYMBOLS: VLO changes to VLO1
2VLO changes to 2VLO1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 40 yields \$4,000)

NEW DELIVERABLE PER CONTRACT

- 1) 100 Valero Energy Corporation (VLO) Common Shares
- 2) 11 CST Brands, Inc. (CST) Common Shares
- 3) Cash in lieu of approximately 0.11111111 fractional CST shares

SETTLEMENT ALLOCATION: VLO: TBD
CTS: TBD

CUSIPS: VLO: 91913Y100
CST: 12646R105

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

Until the cash in lieu amount is determined, the underlying price for VLO1/2VLO1 will be determined as follows:

$$\text{VLO1} = \text{VLO} + 0.1111111111 \text{ (CST)}$$

DELAYED SETTLEMENT

The VLO and CST components of the VLO1/2VLO1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the VLO1/2VLO1 deliverable until the cash in lieu of fractional CST 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.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE:	May 2, 2013
FUTURES SYMBOLS:	VLO1C changes to VLO2C VLO1D changes to VLO2D
SETTLEMENT PRICES:	No Change
NUMBER OF CONTRACTS:	No Change
MULTIPLIER:	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT	1) 100 Valero Energy Corporation (VLO) Common Shares 2) 11 CST Brands, Inc. (CST) Common Shares 3) Cash in lieu of approximately 0.111111111 fractional CST shares
SETTLEMENT ALLOCATION:	VLO: TBD CST: TBD
CUSIPS:	VLO: 91913Y100 CST: 12646R105

THE SETTLEMENT ALLOCATION IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

Until the cash in lieu amount is determined, the underlying price for the VLO2C/VLO2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{VLO2C} = \text{VLO} + 0.1111111111 \text{ (CST)}$$

Please note that the valuation would apply only to the VLO2C/VLO2D deliverables 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 VLO and CST components of the VLO2C/VLO2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the VLO2C/VLO2D deliverable until the cash in lieu of fractional CST Units is determined.

BACKGROUND

Valero Energy Corporation (VLO) has announced a distribution of CST Brands, Inc. (CST) Common Shares. The distribution ratio is approximately 0.1111111111 CST shares for each VLO share held. The record date is April 19, 2013; the mail date is May 1, 2013. The New York Stock Exchange (NYSE) has set May 2, 2013, as the ex-distribution date for this distribution.

CST Brands, Inc. Common Shares are expected to begin trading on a when issued basis on April 17, 2013 on NYSE under the trading symbol CST WI.

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.

Questions regarding this memo can be addressed to Member Services at (800) 544-6091. Within Canada call (800) 424-7320.

CATEGORY: CONTRACT ADJUSTMENT