



THE OPTIONS CLEARING CORPORATION

20187

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DATE: DECEMBER 7, 2004

SUBJECT: COX COMMUNICATIONS, INC. – ANTICIPATED CASH SETTLEMENT
OPTION SYMBOLS: COX/YFS(06)/OYP(07)

DATE: 12/9/04 ???

On December 2, 2004, Cox Communications, Inc. ("COX") completed its self tender offer and intends to complete the acquisition of Cox Communications, Inc. by Cox Holdings, Inc., a wholly owned subsidiary of Cox Enterprises, Inc. and Cox Communications, Inc., via short form merger. Upon consummation of the merger, each existing COX Common Share will be converted into the right to receive \$34.75 net cash per share.

THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE MERGER, PREPARED BY OCC FOR THE CONVENIENCE OF CLEARING MEMBERS. OCC ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CLEARING MEMBERS SHOULD REFER TO THE COX OFFER TO PURCHASE DATED NOVEMBER 3, 2004 FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL ITS TERMS AND CONDITIONS.

Pursuant to Article VI, Section 11, of OCC's By-Laws, all existing COX/YFS/OYP options shall be adjusted to require cash settlement, as indicated below:

DATE: Effective the opening of the business day after the merger is consummated. Contract Adjustment is expected to occur on December 9, 2004.

**NEW DELIVERABLE
PER CONTRACT:** \$3,475.00 (\$34.75 x 100)

Settlement in COX/YFS/OYP 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.

Existing COX/YFS/OYP open interest will remain open until it is exercised or expires. Since COX/YFS/OYP options are American-style, they are exercisable at the option of the holder.

THE FOREGOING POSSIBLE ADJUSTMENT IS BASED ON THE INFORMATION AVAILABLE AT THIS TIME. THE DETERMINATION TO ADJUST AND THE EXTENT OF THE ADJUSTMENT ARE SUBJECT TO CHANGE AS ADDITIONAL INFORMATION

BECOMES AVAILABLE OR IF THERE ARE MATERIAL CHANGES TO THE TERMS OF THIS MERGER.

CATEGORY: CONTRACT ADJUSTMENT

SUB-CATEGORY: CASH SETTLEMENT

For questions regarding this memo, call 1-888-OPTIONS or email options@theocc.com.