



THE OPTIONS CLEARING CORPORATION

24346

Back to Infomemo Search

DATE: MAY 1, 2008

SUBJECT: SIGMATEL, INC. – CASH SETTLEMENT / ACCELERATION OF EXPIRATIONS
OPTION SYMBOLS: OWR/LWQ
DATE: 05-01-08

On April 21, 2008, Shareholders of SigmaTel, Inc. (“SGTL”) voted concerning the proposed merger with Freescale Semiconductor, Inc. The merger was approved and subsequently consummated on April 30, 2008. As a result, each existing SGTL Common Share will be converted into the right to receive \$3.00 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 SGTL PROXY STATEMENT DATED MARCH 17, 2008 FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL ITS TERMS AND CONDITIONS.

CONTRACT ADJUSTMENT

Pursuant to Article VI, Section 11, of OCC’s By-Laws, a panel of OCC’s Securities Committee has determined to adjust all OWR/LWQ options as indicated below (the panel consists of two representatives from the Exchanges on which the affected option is traded (in this case the Chicago Board Options Exchange (“CBOE”)) and the Chairman of OCC or his delegee, who only votes in case of a tie).

DATE: Thursday, May 1, 2008.

**NEW DELIVERABLE
PER CONTRACT:** \$300.00 (\$3.00 x 100)

Settlement in OWR/LWQ 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 23707). Additionally, **the exercise by exception (“ex by ex”) threshold for expiring series will be \$.01 in all account types.**

All series of Sigmatel, Inc. options whose expiration dates are **after 5-17-2008** will have their expiration dates **advanced to 5-17-2008**. Expiration dates occurring **before 5-17-2008** (e.g., Flex options) will remain **unchanged**.

All Sigmatel, Inc. options will utilize a **\$.01 exercise threshold**.

OWR	1-17-09	5-17-2008	\$.01
LWQ	1-16-10	5-17-2008	\$.01

Please note the acceleration of expirations for cash-only equity options became effective January 2, 2008 (see OCC Information Memo #23988). Equity options that were adjusted for cash-only delivery before 2008 will not have their expiration dates advanced. These options will continue to be subject to an exercise by exception (“ex by ex”) threshold of \$.05 in all account types.

CATEGORY: CONTRACT ADJUSTMENT
SUB-CATEGORY: CASH SETTLEMENT

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