



# THE OPTIONS CLEARING CORPORATION

#24367

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**DATE:** MAY 7, 2008

**SUBJECT:** ADJUSTED GRANT PRIDECO, INC. – CASH IN LIEU SETTLEMENT  
ADJUSTED OPTION SYMBOLS: GYV/XIX/KIW

Grant Prideco, Inc. (“GRP”) Options were adjusted on April 16, 2008 (adjusted option symbols “GYV/XIX/KIW”) (See OCC Information [Memo #24317](#)).

The new deliverable for GYV/XIX/KIW options became 1) 44 National Oilwell Varco, Inc. (“NOV”) Common Shares, 2) cash in lieu of .98 fractional NOV shares, and 3) 2,320.00 Cash. Only settlement of the cash portion of GYV/XIX/KIW options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$73.25 per whole NOV share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$.98 \times \$73.25 = \$71.79 \text{ per GYV/XIX/KIW Contract}$$

OCC has maintained an audit trail of all GYV/XIX/KIW exercise and assignment activity effected from April 22, 2008, through May 6, 2008. Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of April 22, 2008 through May 6, 2008, to deliver the appropriate cash amount.

Terms of the GYV/XIX/KIW options are as follows:

New Deliverable Per Contract:

- 1) 44 National Oilwell Varco, Inc. (“NOV”) Class A Common Shares
- 2) \$2,391.79 Cash (\$71.79 + \$2,320.00)\*

\* The cash portion of the deliverable remains permanently fixed as part of the option deliverable, and does not vary with price changes of securities also included in the deliverable.

**STRIKE PRICES:** Unchanged

**CUSIP:** NOV: 637071101

**MULTIPLIER:** 100 (i.e., a premium of 1.50 yields \$150)

## SETTLEMENT

The NOV component of GYV/XIX/KIW exercise/assignment activity from April 22, 2008 through May 6, 2008, has settled through National Security Clearing Corporation ("NSCC"). The \$2,391.79 cash amount will be settled by OCC.

## PRICING

The underlying price for GYV/XIX/KIW will be determined as follows:

$$\text{GYV} = .44 (\text{NOV}) + 23.9179$$

For example, if NOV closes at 69, the GYV price would be calculated as follows:

$$\text{GYV} = .44 (69) + 23.9179 = 54.28$$

CATEGORY: CONTRACT ADJUSTMENT  
SUB-CATEGORY: ADJUSTED SETTLEMENT

**For questions regarding this memo, call 1-888-OPTIONS or email [options@theoocc.com](mailto:options@theoocc.com).**