



THE OPTIONS CLEARING CORPORATION

23659

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DATE: OCTOBER 8, 2007

SUBJECT: TXU CORP. – ANTICIPATED CASH SETTLEMENT
FUTURES SYMBOL: TXU1C
DATE: 10/10/07 ???

On September 7, 2007, Shareholders of TXU Corp. (“TXU”) voted concerning the proposed merger with Texas Energy Future Holdings Limited Partnership, which was formed by an investor group led by affiliates of Kohlberg Kravis Roberts & Co. L.P. and Texas Pacific Group. The merger was approved and, when consummated, each existing TXU Common Share will be converted into the right to receive \$69.25 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 TXU PROXY STATEMENT DATED JULY 24, 2007 FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL ITS TERMS AND CONDITIONS.

CONTRACT ADJUSTMENT

Pursuant to Article XII, Section 3 of OCC’s By-Laws, all TXU1C Security Futures will be adjusted as follows:

DATE: Effective the opening of the business day after the merger is consummated. Contract Adjustment is expected to occur on October 10, 2007.

MULTIPLIER: 100 (e.g. 1.00 equals \$100)

**NEW DELIVERABLE
PER CONTRACT:** \$6,925.00 (\$69.25 x 100)

Settlement in TXU1C futures will take place through OCC’s cash settlement system.

Pursuant to Rule 1304 of OCC’s Rules and Bylaws, the maturity date for all TXU1C Security Futures will be accelerated on a date to be determined after the merger has been consummated.

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.