

CORPORATE EVENTS

MEMO # 09-387

DATE: 09/04/09

ACTION:

On September 4, 2009, Shareholders of IPC Holdings, Ltd. ("IPCR") voted concerning the proposed merger with Validus Holdings, Ltd. ("VR"). The merger was approved and subsequently consummated. As a result, each existing IPCR Common Share will be converted into the right to receive .9727 VR Common Shares plus \$7.50 Cash.

Cash will be paid in lieu of fractional VR shares.

This action will be coordinated with the Options Clearing Corporation.

CATEGORY:

Merger

EQUITY SYMBOL:

IPC Holdings, Ltd. ("IPCR")

ONE CHICAGO SYMBOL:

IPCR1C will change to **IPCR2C**; **IPCR1C** will not be reintroduced

CME FUTURES SYMBOL:

IP9 will change to **IP7**

MULTIPLIER:

100 (e.g., 1.00 equals \$100.00)

EFFECTIVE DATE:

Tuesday, September 8, 2009

NEW DELIVERABLE PER CONTRACT:

- 1) 97 Validus Holdings, Ltd. ("VR") Common Shares
- *2) Cash in lieu of .27 fractional VR Shares
- *3) \$750.00 Cash (\$7.50 x 100)

*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

APPLICABLE CONTRACT MONTHS:

September, October, December 2009 and January 2010

SETTLEMENT PRICES AND POSITIONS:

The underlying price for the IPCR2C Futures contract deliverable, expressed in term of current market value, would be calculated as follows:

$$\text{IPCR2C} = .97 \text{ (VR)} + \text{cash in lieu of .27 VR shares} + 7.50$$

Please note that the valuation would apply only to the IPCR2C deliverable 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.

NOTES:

The forecasted effect of the upcoming corporate event on each clearing firms' positions can be viewed in infopac in the Corporate Event Initial Forecast Report (ONE712), the Corporate Event Final Forecast Report (ONE713), and the Corporate Event Forecast Audit Report (CPDBU710).

If you have any questions regarding the information provided in the document, please call CME Clearing risk management hotline at (312) 648-3888.