

# CORPORATE EVENTS

MEMO # 07-195

DATE: 8/23/07

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**ACTION:**

Shareholders of KeySpan Corporation (KSE) voted on Thursday, August 17, 2006, and approved a proposed Merger between KSE and National Grid US8 Inc., a wholly owned subsidiary of National Grid plc (NGG). With the approval, KSE will be a wholly owned subsidiary of NGG. Pursuant to the terms of the merger, each share of KSE Common Stock outstanding immediately prior to the consummation of the Merger will be converted into the right to receive **\$42.00 cash**, without interest, per KSE share. The Merger is expected to become effective on Friday, August 24, 2007. This corporate action will be coordinated with the Options Clearing Corporation.

**CATEGORY:**

Contract Adjustment

**EQUITY SYMBOL:**

KSE (KeySpan Corporation)

**ONECHICAGO SYMBOL:**

KSE1C will remain the same

**CME FUTURES SYMBOL:**

Q9 will remain the same

**EFFECTIVE DATE:**

August 24, 2007

**MULTIPLIER:**

100 multiplier remains the same.

**DELIVERABLE PER CONTRACT:**

On the business day immediately following the effective date of the merger all KeySpan Corporation future contracts will require the delivery or receipt of: **\$4,200.00 in cash**. Expiry of all KSE1C future contracts will be accelerated.

Trading in KSE1C futures will cease as of the close of business on the effective date of the merger.

**APPLICABLE CONTRACT MONTHS:**

September, October and December 2007, and March 2008

**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.