

# CORPORATE EVENTS

MEMO # 06-133

DATE: 5/25/06

**ACTION:** Albertson's Inc. (ABS) **Anticipated Adjustment** due to merger. **Contract adjustment is expected to occur on May 31, 2006 or later.** This corporate action will be coordinated with the Options Clearing Corporation.

**CATEGORY:** Contract Adjustment

**EQUITY SYMBOL:** ABS (Albertson's Inc.)

**ONECHICAGO SYMBOL:** ABS1C will change to ABS2C

**CME FUTURES SYMBOL:** Q6 will change to A0

**NUMBER OF CONTRACTS:** No Change

**EFFECTIVE DATE:** Wednesday, May 31, 2006

**MULTIPLIER:** 100 will remain unchanged.

**DELIVERABLE PER CONTRACT:** 1) 18 Supervalu Inc. (SVU) Common Shares

2) Cash in lieu of .20 fractional SVU shares\*

3) \$2,035.00 Cash (\$20.35 x 100)\*

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

**APPLICABLE CONTRACT MONTHS:** June, July, September, and December

**SETTLEMENT PRICES:** Unchanged

**SETTLEMENT:** Delayed. Settlement of the ABS2C will be delayed until the end of "when-issued" trading in SVU, if any, is determined by the New York Stock Exchange (NYSE) and until the cash in lieu of fractional SVU shares is determined.

**SETTLEMENT ALLOCATION:** TBD

**PRICING:** The underlying price for the ABS2C futures contract deliverable, expressed in terms of current market value, will be calculated as follows:

$$\text{ABS2C} = .18(\text{SVU}) + \text{cash in lieu of .20 SVU shares} + 20.35$$

Please note that the valuation would apply only to the ABS2C 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 the cost of money carrying charges, adjustment for dividends, and other factors.

**BACKGROUND:**

On May 30, 2006, Shareholders of Albertson's, Inc. (ABS) will vote concerning a proposed merger with Supervalu Inc.(SVU). If the merger is approved and consummated, each existing ABS Common Share will be converted into the right to receive .182 SVU Common Shares plus \$20.35 Cash. Cash will be paid in lieu of fractional SVU shares.

**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.*