

CORPORATE EVENTS

MEMO # 07-206

DATE: 9/04/07

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). KSE became a wholly owned subsidiary of NGG with the consummation of the merger on August 24, 2007. As a result, each share of KSE Common Stock will be converted into the right to receive **\$42.00 cash** per share. On August 27, 2007, all KSE1C futures were adjusted to deliver \$4,200 (\$42.00 x 100 shares). The maturity date for all KSE1C futures will be accelerated to **Wednesday, September 5, 2007**. This corporate action will be coordinated with the Options Clearing Corporation.

CATEGORY:

Contract Adjustment

EQUITY SYMBOL:

KSE (KeySpan Corporation)

ONECHICAGO SYMBOL:

KSE1C

CME FUTURES SYMBOL:

Q9

EFFECTIVE DATE:

August 27, 2007

MULTIPLIER:

100 multiplier remains the same.

DELIVERABLE PER CONTRACT:

On **September 5, 2007** 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 to this date.

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.