

# CORPORATE EVENTS

MEMO # 07-307

DATE: 12/13/07

**ACTION:**

XTO Energy Inc. ("XTO") has announced a 5 for 4 stock split. The **ex-distribution date is Friday, December 14, 2007**. The payable date is December 13, 2007. The record date is November 28, 2007. This corporate action will be coordinated with the Options Clearing Corporation.

**CATEGORY:**

5 for 4 Stock Split

**EQUITY SYMBOL:**

XTO Energy Inc. (XTO)

**ONECHICAGO SYMBOL:**

XTO1C will change to XTO2C. A new XTO1C contracts with a contract unit of 100 shares will be introduced on Monday, December 17, 2007.

**CME FUTURES SYMBOL:**

XTO will change to XT2 for the XTO2C  
XTO will be re-listed the following day for the new XTO1C.

**NUMBER OF CONTRACTS:**

Unchanged

**EFFECTIVE DATE:**

Effective the opening of business December 14, 2007 and thereafter.

**MULTIPLIER:**

100; Unchanged

**DELIVERABLE PER CONTRACT:**

125 XTO Energy Inc. (XTO) Common Shares for XTO2C

XTO1C will be re-listed for 100 share deliverable.

**APPLICABLE CONTRACT MONTHS:**

December 2007 and January, March, June 2008

**SETTLEMENT PRICES AND POSITIONS:**

All outstanding XTO1C future contracts outstanding as of Friday, December 14, 2007, shall be adjusted to require the per-contract delivery or receipt of 125 shares of XTO Energy Inc. (XTO). Settlement prices are unchanged.

The underlying price for the deliverable of XTO2C futures must be **calculated**, as follows:

$$\text{XTO2C (Deliverable)} = 1.25 (\text{XTO})$$

For example, after the contract adjustment, if XTO closes at 10, the XTO2C deliverable price would be calculated as follows:

$$\text{UWV} = 1.25 (10) = 12.50$$

Accordingly:

If the previous day's settlement price was \$12.50, and today's settlement price was \$13.00, the mark-to-market value would be \$50. That is,  $\$.50 \times 100$ , **not**  $\$.50 \times 125$ . At expiration, a long XTO2C position with a settlement price of 12.50 would yield \$1250 to receive 125 XTO 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.