

# CORPORATE EVENTS

MEMO # 07-327

DATE: 12/28/07

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**ACTION:**

Temple-Inland Inc. ("TIN") has announced the spin off of Guaranty Financial Group ("GFG") and Forestar Real Estate Group ("FOR"). The distribution date is December 28, 2007. The record date is December 14, 2007. The ex-distribution date is **Monday, December 31, 2007**.

This corporate event will be coordinated with the Options Clearing Corporation.

**CATEGORY:**

Spin-Off

**EQUITY SYMBOL:**

TIN (Temple-Inland Inc.)

**ONECHICAGO SYMBOL:**

TIN1C changes to TIN2C; a new TIN1C will be re-listed on January 2, 2008.

**CME FUTURES SYMBOL:**

**T12** for the MI2C; **TIN** for the re-listed MI1C

**EFFECTIVE DATE:**

**Monday, December 31, 2007**

**MULTIPLIER:**

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

**NEW DELIVERABLE PER CONTRACT:**

- 1) 100 "TIN" Temple-Inland Inc.
- 2) 33 "FOR" Forestar Real Estate Group Common Shares
- 3) 33 "GFG" Guaranty Financial Group Common Shares
- 4) Cash in lieu of .33 FOR and .33 GFG fractional shares\*

\*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:**

January, February, March, and June 2008

**SETTLEMENT PRICES AND POSITIONS:**

The underlying price for TIN2C will be determined as follows:

$$\text{TIN2C} = \text{TIN} + .33 (\text{FOR}) + .33 (\text{GFG}) + \text{cash in lieu of .33 FOR} + \text{cash in lieu of .33 GFG}$$

Please note that the valuation would apply only to the TIN2C 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 firm's 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).

The details after the corporate event has been applied can be viewed in the Corporate Event Activity Report (ONE711).

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