



# THE OPTIONS CLEARING CORPORATION

#26630

## Back to Infomemo Search

DATE: NOVEMBER 18, 2009

SUBJECT: NATCO GROUP INC. - CONTRACT ADJUSTMENT  
OPTION SYMBOL: NTG  
NEW SYMBOL: NXO  
DATE: 11-19-09

DATE: November 19, 2009.

OPTION SYMBOL: NTG changes to NXO

STRIKE PRICES: No Change

NUMBER OF  
CONTRACTS: No Change

MULTIPLIER 100 (e.g., a premium of 1.50 yields \$150; a strike of 45 yields \$4,500.00)

NEW DELIVERABLE  
PER CONTRACT: 1) 118 Cameron International Corporation ("CAM") Common Shares  
2) Cash in lieu of .5 fractional CAM 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

CUSIP: CAM: 13342B105

## DELAYED SETTLEMENT

The CAM component of the NXO deliverable will settle through National Securities Clearing Corporation ("NSCC"). OCC will delay settlement of the cash portion of the NXO deliverable until the cash in lieu of fractional CAM shares is determined. Until the cash in lieu is determined, OCC will maintain an audit trail of all NXO exercise and assignment activity. Upon determination of the CAM cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash in lieu amount. **CLEARING MEMBERS SHOULD REMIND CUSTOMERS THAT SETTLEMENT OF NXO EXERCISE/ASSIGNMENT ACTIVITY WILL INCLUDE A FUTURE OBLIGATION TO PAY THE CASH IN LIEU AMOUNT.**

## **PRICING**

The underlying price for NXO will be determined as follows:

$$\text{NXO} = 1.18 \text{ (CAM)} + \text{cash in lieu of .5 fractional CAM shares}$$

## **BACKGROUND**

On November 18, 2009, Common Shareholders of NATCO Group Inc. ("NTG") voted concerning a proposed merger with Cameron International Corporation ("CAM"). The merger was approved and consummated. As a result, each existing NTG Common Share will be converted into the right to receive 1.185 CAM Common Shares. Cash will be paid in lieu of fractional CAM Common Shares.

THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE MERGER, PREPARED BY OCC FOR THE CONVENIENCE OF CLEARING MEMBERS. OCC ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CLEARING MEMBERS SHOULD REFER TO THE NTG PROXY STATEMENT/CAM PROSPECTUS DATED OCTOBER 15, 2009, FOR THE AUTHORITATIVE DESCRIPTION OF THE MERGER AND ALL ITS TERMS AND CONDITIONS.

Pursuant to Article VI, Section 11, of OCC's By-Laws, a panel of OCC's Securities Committee has determined to adjust all NTG options as indicated above (the panel consists of two representatives from the Exchanges on which the affected option is traded (in this case, the Chicago Board Options Exchange ("CBOE"), the NASDAQ OMX PHLX Exchange ("PHLX"), the NYSE Arca Exchange ("ARCX"), and the International Securities Exchange ("ISE")) and the Chairman of OCC or his delegee, who only votes in case of a tie).

CATEGORY: CONTRACT ADJUSTMENT  
SUB-CATEGORY: ANTICIPATED ADJUSTMENT

**For questions regarding this memo, call 1-888-OPTIONS or email [options@theocc.com](mailto:options@theocc.com).**