

# Cash Merger

December 06, 2016

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ONN / OCC ID: 40220



## TALEN ENERGY CORPORATION - CASH SETTLEMENT/ACCELERATION OF EXPIRATIONS

### DESCRIPTION:

On October 6, 2016, Shareholders of Talen Energy Corporation (TLN) voted concerning the proposed merger with RPH Parent LLC, SPH Parent LLC, and CRJ Parent LLC, all owned by affiliates of Riverstone Holdings LLC. The merger was approved and subsequently consummated before the open on December 6, 2016. As a result, each existing TLN Common Share will be converted into the right to receive \$14.00 net cash per share.

#### ACCELERATION OF EXPIRATIONS

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to an acceleration of the expiration dates for outstanding option series. (See OCC Information Memo 23707) Additionally, the exercise by exception (ex by ex) threshold for expiring series will be \$.01 in all account types.

All series of Talen Energy Corporation options whose expiration dates are after 12-16-2016 will have their expiration dates advanced to 12-16-2016. Expiration dates occurring before 12-16-2016 (e.g., Flex options) will remain unchanged.

All Talen Energy Corporation options will utilize a \$.01 exercise threshold.

Option Symbol: TLN

Existing Expiration: All months

New expiration date: 12-16-2016

Existing American-style Talen Energy Corporation options remain exercisable at the option of the holder prior to their expiration. Exercised options will continue to settle in three business days.

### Pending Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date:	<b>December 6, 2016</b>		
Option Symbol:	TLN	remains	TLN
Underlying Security:	TLN	remains	TLN
Contract Multiplier:	1		
Strike Divisor:	1		
New Multiplier:	100		
New Deliverable:	\$1,400.00 Cash (\$14.00 x 100)		

### Pricing Considerations:

**Additional Exchange Info:** On Tuesday, December 6th, 2016, immediately after the BOX close, all resting orders for TLN in the order book will be canceled by the BOX Market Operations Center.

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TLN	C/P	2.50	12/16/2016	TLN	C/P	2.50	12/16/2016
TLN	C/P	5.00	12/16/2016	TLN	C/P	5.00	12/16/2016

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TLN	C/P	7.50	12/16/2016	TLN	C/P	7.50	12/16/2016
TLN	C/P	10.00	12/16/2016	TLN	C/P	10.00	12/16/2016
TLN	C/P	12.50	12/16/2016	TLN	C/P	12.50	12/16/2016
TLN	C/P	15.00	12/16/2016	TLN	C/P	15.00	12/16/2016
TLN	C/P	17.50	12/16/2016	TLN	C/P	17.50	12/16/2016
TLN	C/P	20.00	12/16/2016	TLN	C/P	20.00	12/16/2016
TLN	C/P	22.50	12/16/2016	TLN	C/P	22.50	12/16/2016
TLN	C/P	25.00	12/16/2016	TLN	C/P	25.00	12/16/2016
TLN	C/P	2.50	01/20/2017	TLN	C/P	2.50	01/20/2017
TLN	C/P	5.00	01/20/2017	TLN	C/P	5.00	01/20/2017
TLN	C/P	7.50	01/20/2017	TLN	C/P	7.50	01/20/2017
TLN	C/P	10.00	01/20/2017	TLN	C/P	10.00	01/20/2017
TLN	C/P	12.50	01/20/2017	TLN	C/P	12.50	01/20/2017
TLN	C/P	15.00	01/20/2017	TLN	C/P	15.00	01/20/2017
TLN	C/P	17.50	01/20/2017	TLN	C/P	17.50	01/20/2017
TLN	C/P	20.00	01/20/2017	TLN	C/P	20.00	01/20/2017
TLN	C/P	22.50	01/20/2017	TLN	C/P	22.50	01/20/2017
TLN	C/P	25.00	01/20/2017	TLN	C/P	25.00	01/20/2017
TLN	C/P	2.50	04/21/2017	TLN	C/P	2.50	04/21/2017
TLN	C/P	5.00	04/21/2017	TLN	C/P	5.00	04/21/2017
TLN	C/P	7.50	04/21/2017	TLN	C/P	7.50	04/21/2017
TLN	C/P	10.00	04/21/2017	TLN	C/P	10.00	04/21/2017
TLN	C/P	12.50	04/21/2017	TLN	C/P	12.50	04/21/2017
TLN	C/P	15.00	04/21/2017	TLN	C/P	15.00	04/21/2017
TLN	C/P	17.50	04/21/2017	TLN	C/P	17.50	04/21/2017
TLN	C/P	20.00	04/21/2017	TLN	C/P	20.00	04/21/2017
TLN	C/P	22.50	04/21/2017	TLN	C/P	22.50	04/21/2017
TLN	C/P	25.00	04/21/2017	TLN	C/P	25.00	04/21/2017
TLN	C/P	2.50	07/21/2017	TLN	C/P	2.50	07/21/2017
TLN	C/P	5.00	07/21/2017	TLN	C/P	5.00	07/21/2017
TLN	C/P	7.50	07/21/2017	TLN	C/P	7.50	07/21/2017
TLN	C/P	10.00	07/21/2017	TLN	C/P	10.00	07/21/2017
TLN	C/P	12.50	07/21/2017	TLN	C/P	12.50	07/21/2017
TLN	C/P	15.00	07/21/2017	TLN	C/P	15.00	07/21/2017
TLN	C/P	17.50	07/21/2017	TLN	C/P	17.50	07/21/2017
TLN	C/P	20.00	07/21/2017	TLN	C/P	20.00	07/21/2017
TLN	C/P	22.50	07/21/2017	TLN	C/P	22.50	07/21/2017
TLN	C/P	25.00	07/21/2017	TLN	C/P	25.00	07/21/2017

**Disclaimer:**

This Information Memo summarizes corporate events affecting listed options. No warranty of accuracy or completeness is given with respect to the summary. Option series information is based on series existing at OCC at the time this Memo was generated.

**Contact Information:**

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.