

# Cash Merger

September 15, 2014

Exchange/Memo ID: 203411

ONN / OCC ID: 35251



## TOWER GROUP INTERNATIONAL, LTD. - CASH SETTLEMENT/ACCELERATION OF EXPIRATIONS

### DESCRIPTION:

On August 6, 2014, Shareholders of Tower Group International, Ltd. (TWGP) voted concerning the proposed merger with London Acquisition Company Limited, a wholly-owned subsidiary of ACP Re, Ltd. The merger was approved and subsequently consummated before the open on September 15, 2014. As a result, each existing TWGP Common Share will be converted into the right to receive \$2.50 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 Tower Group International, Ltd. options whose expiration dates are after 9-20-2014 will have their expiration dates advanced to 9-20-2014. Expiration dates occurring before 9-20-2014 (e.g., Flex options) will remain unchanged.

All Tower Group International, Ltd. options will utilize a \$.01 exercise threshold.

Option Symbol: TWGP  
Existing Expiration: All months  
New expiration date: 9-20-2014

Existing American-style Tower Group International, Ltd. 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>09/15/2014</b>
Option Symbol:	TWGP remains TWGP
Underlying Security:	TWGP remains TWGP
Contract Multiplier:	1
Strike Divisor:	1
New Multiplier:	100
New Deliverable:	\$250.00 Cash (\$2.50 x 100)

On Monday, September 15, 2014, immediately after the BOX close, all resting orders for TWGP in the order book will be canceled by the BOX Market Operations Center.

### Pricing Considerations:

### Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
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Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TWGP	C/P	2.00	09/20/2014	TWGP	C/P	2.00	09/20/2014
TWGP	C/P	3.00	09/20/2014	TWGP	C/P	3.00	09/20/2014
TWGP	C/P	4.00	09/20/2014	TWGP	C/P	4.00	09/20/2014
TWGP	C/P	5.00	09/20/2014	TWGP	C/P	5.00	09/20/2014
TWGP	C/P	6.00	09/20/2014	TWGP	C/P	6.00	09/20/2014
TWGP	C/P	1.00	10/18/2014	TWGP	C/P	1.00	10/18/2014
TWGP	C/P	2.00	10/18/2014	TWGP	C/P	2.00	10/18/2014
TWGP	C/P	3.00	10/18/2014	TWGP	C/P	3.00	10/18/2014
TWGP	C/P	4.00	10/18/2014	TWGP	C/P	4.00	10/18/2014
TWGP	C/P	5.00	10/18/2014	TWGP	C/P	5.00	10/18/2014
TWGP	C/P	6.00	10/18/2014	TWGP	C/P	6.00	10/18/2014
TWGP	C/P	7.00	10/18/2014	TWGP	C/P	7.00	10/18/2014
TWGP	C/P	1.00	01/17/2015	TWGP	C/P	1.00	01/17/2015
TWGP	C/P	2.00	01/17/2015	TWGP	C/P	2.00	01/17/2015
TWGP	C/P	3.00	01/17/2015	TWGP	C/P	3.00	01/17/2015
TWGP	C/P	4.00	01/17/2015	TWGP	C/P	4.00	01/17/2015
TWGP	C/P	5.00	01/17/2015	TWGP	C/P	5.00	01/17/2015
TWGP	C/P	6.00	01/17/2015	TWGP	C/P	6.00	01/17/2015
TWGP	C/P	7.00	01/17/2015	TWGP	C/P	7.00	01/17/2015
TWGP	C/P	1.00	04/17/2015	TWGP	C/P	1.00	04/17/2015
TWGP	C/P	2.00	04/17/2015	TWGP	C/P	2.00	04/17/2015
TWGP	C/P	3.00	04/17/2015	TWGP	C/P	3.00	04/17/2015
TWGP	C/P	4.00	04/17/2015	TWGP	C/P	4.00	04/17/2015
TWGP	C/P	5.00	04/17/2015	TWGP	C/P	5.00	04/17/2015
TWGP	C/P	6.00	04/17/2015	TWGP	C/P	6.00	04/17/2015

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.