



**THE FOUNDATION
FOR SECURE
MARKETS**

#43313

DATE: JULY 2, 2018

SUBJECT: SEADRILL LIMITED - CONTRACT ADJUSTMENT
OPTION SYMBOL: SDRL
NEW SYMBOL: SDRL1
DATE: 7/3/2018

On April 17, 2018, United States Bankruptcy Court for the Southern District of Texas Victoria Division confirmed the Second Amended Joint Plan of Reorganization (“Plan”) for Seadrill Limited (SDRL). The Plan became effective on July 2, 2018, and SDRL shares were canceled. Under the Plan, SDRL shares will be converted into the right to receive approximately 0.0037345 (New) Seadrill Limited Common Share. Pursuant to the Plan, fractional shares will be rounded up or down to the nearest whole share with half shares being rounded down.

Because fractional share amounts less than 0.5 will be rounded down, it is anticipated that SDRL1 options will not be adjusted to call for delivery of (New) SDRL Common Shares (100 x approximately 0.0037345 = approximately 0.37345). OCC will delay settlement until the final rate has been confirmed.

(New) Seadrill Limited Common Shares will trade on the New York Stock Exchange under the trading symbol “SDRL”.

CONTRACT ADJUSTMENT

DATE: July 3, 2018

OPTION SYMBOL: SDRL becomes SDRL1

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 2.50 yields \$250.00)

NEW DELIVERABLE PER CONTRACT: 100 x the pro rata distribution of SDRL Common Shares (100 x approximately 0.0037345).

Note: It is expected that this will round down to 0 (New) Seadrill Limited (SDRL) Common Shares. OCC will delay settlement until the final rate is confirmed.

CUSIP:

SDRL: G7998G106

DELAYED SETTLEMENT

OCC will delay settlement of the SDRL component of the SDRL1 deliverable until the final SDRL share distribution rate is determined. Upon determination of the SDRL share distribution rate, OCC will require Put Exercisers and Call assignees to deliver the appropriate number of SDRL shares, if any.

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.