



#41979

DATE: OCTOBER 11, 2017

SUBJECT: WESTERN REFINING LOGISTICS, LP - ANTICIPATED
ADJUSTMENT
OPTION SYMBOL: WNRL
NEW SYMBOL: ANDX1
FUTURES SYMBOL: WNRL1D
NEW SYMBOL: WNRL2D
DATE: ???

Contract Adjustment

DATE: Effective the opening of the business day after the merger is consummated.

OPTION SYMBOL: WNRL changes to ANDX1

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 25 yields \$2,500.00)

NEW DELIVERABLE PER CONTRACT: 1) 52 Andeavor Logistics LP (ANDX) Common Units
2) Cash in lieu of 0.33 fractional ANDX units

CUSIP: ANDX: 03350F106

PRICING

Until the cash in lieu amount is determined, the underlying price for ANDX1 will be determined as follows:

$$\text{ANDX1} = 0.5233 (\text{ANDX})$$

DELAYED SETTLEMENT

The ANDX component of the ANDX1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the ANDX1 deliverable until the cash in lieu of fractional ANDX units is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Futures Contract Adjustment

DATE: Effective the opening of the business day after the merger is consummated.

FUTURES SYMBOL: WNRL1D changes to WNRL2D

NUMBER OF CONTRACTS: No Change

MULTIPLIER 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT: 1) 52 Andeavor Logistics LP (ANDX) Common Units
2) Cash in lieu of 0.33 fractional ANDX units

CUSIP: ANDX: 03350F106

PRICING

Until the cash in lieu amount is determined, the underlying price for the WNRL2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{WNRL2D} = 0.5233 (\text{ANDX})$$

Please note that the valuation would apply only to the WNRL2D 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.

DELAYED SETTLEMENT

The ANDX component of the WNRL2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the WNRL2D deliverable until the cash in lieu of fractional ANDX units is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

BACKGROUND

Pursuant to the terms of a Support Agreement dated August 13, 2017, a group of certain Andeavor Logistics LP affiliates that beneficially own approximately 52.5% of the outstanding Western Refining Logistics LP (WNRL) units has agreed to deliver a written consent adopting the merger agreement with Andeavor Logistics LP (ANDX). The delivery of this written consent will be sufficient to approve the merger without the receipt of written consent from any other WNRL unitholders. If the merger is approved and consummated, each existing WNRL Common Unit will be converted into the right to receive 0.5233 ANDX Common Units. Cash will be paid in lieu of fractional ANDX units.

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.