

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: November 21, 2007

**Subject: Transocean Inc. (RIG) Pending Merger With GlobalSantaFe Corporation (GSF) \*\*\*UPDATE\*\*\***

On Friday, November 9, 2007, the shareholders of Transocean Inc. (RIG) voted to approve the proposed merger with GlobalSantaFe Corporation (GSF). Pursuant to the merger terms each RIG share will be converted into the right to receive 0.6996 (New) Transocean Inc. (RIG) Ordinary shares plus \$33.03 cash. Cash will be paid in lieu of fractional shares. **The merger is anticipated to become effective prior to opening of business on Tuesday, November 27, 2007.**

**In addition, Transocean Inc. (RIG) will change its CUSIP number to G90-073-100, on the effective date of the merger.**

*\*\*The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding RIG options will be adjusted as follows:

**EFFECTIVE DATE:** Option changes are expected to become effective on Tuesday, November 27, 2007  
**SYMBOL(s):** RIG/VOI/YDR becomes RFU/ZRN/YOB respectively  
**POS/EXERCISE LIMIT:** 500,000 contracts until January 2010 expiration; where limits revert to 250,000  
**MULTIPLIER:** 100\*(eg., Premium of 1.00 = \$100)  
**NEW DELIVERABLE:** 1) 69 (New) Transocean Inc. (RIG) Ordinary Shares  
 2) Cash in lieu of 0.96 fractional RIG Shares  
 3) \$3,303.00 cash per contract (\$33.03 x 100)

Transocean Inc. (RIG) (Before - Date To Be Announced) 100 shares RIG					Transocean Inc. (RFU) (Beginning - Date To Be Announced) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
RIG	DEC	90	LR	XR	RFU	DEC	90	LR	XR
RIG	DEC	95	LS	XS	RFU	DEC	95	LS	XS
RIG	DEC	100	LT	XT	RFU	DEC	100	LT	XT
RIG	DEC	105	LA	XA	RFU	DEC	105	LA	XA
RIG	DEC	110	LB	XB	RFU	DEC	110	LB	XB
RIG	DEC	115	LC	XC	RFU	DEC	115	LC	XC
RIG	DEC	120	LD	XD	RFU	DEC	120	LD	XD
RIG	DEC	125	LE	XE	RFU	DEC	125	LE	XE
RIG	DEC	130	LX	XX	RFU	DEC	130	LX	XX
RIG	DEC	135	LY	XY	RFU	DEC	135	LY	XY
RIG	DEC	140	LZ	XZ	RFU	DEC	140	LZ	XZ
RIG	DEC	145	LW	XW	RFU	DEC	145	LW	XW
RIG	DEC	150	LU	XU	RFU	DEC	150	LU	XU
RIG	JAN	30	AF	MF	RFU	JAN	30	AF	MF
RIG	JAN	35	AG	MG	RFU	JAN	35	AG	MG
RIG	JAN	40	AH	MH	RFU	JAN	40	AH	MH
RIG	JAN	45	AI	MI	RFU	JAN	45	AI	MI
RIG	JAN	50	AJ	MJ	RFU	JAN	50	AJ	MJ
RIG	JAN	55	AK	MK	RFU	JAN	55	AK	MK
RIG	JAN	60	AL	ML	RFU	JAN	60	AL	ML
RIG	JAN	65	AM	MM	RFU	JAN	65	AM	MM
RIG	JAN	70	AN	MN	RFU	JAN	70	AN	MN
RIG	JAN	75	AO	MO	RFU	JAN	75	AO	MO

RIG	JAN	80	AP	MP	RFU	JAN	80	AP	MP
RIG	JAN	85	AQ	MQ	RFU	JAN	85	AQ	MQ
RIG	JAN	90	AR	MR	RFU	JAN	90	AR	MR
RIG	JAN	95	AS	MS	RFU	JAN	95	AS	MS
RIG	JAN	100	AT	MT	RFU	JAN	100	AT	MT
RIG	JAN	105	AA	MA	RFU	JAN	105	AA	MA
RIG	JAN	110	AB	MB	RFU	JAN	110	AB	MB
RIG	JAN	115	AC	MC	RFU	JAN	115	AC	MC
RIG	JAN	120	AD	MD	RFU	JAN	120	AD	MD
RIG	JAN	125	AE	ME	RFU	JAN	125	AE	ME
RIG	JAN	130	AX	MX	RFU	JAN	130	AX	MX
RIG	JAN	135	AY	MY	RFU	JAN	135	AY	MY
RIG	JAN	140	AZ	MZ	RFU	JAN	140	AZ	MZ
RIG	JAN	145	AW	MW	RFU	JAN	145	AW	MW
RIG	JAN	150	AU	MU	RFU	JAN	150	AU	MU
RIG	FEB	75	BO	NO	RFU	FEB	75	BO	NO
RIG	FEB	80	BP	NP	RFU	FEB	80	BP	NP
RIG	FEB	85	BQ	NQ	RFU	FEB	85	BQ	NQ
RIG	FEB	90	BR	NR	RFU	FEB	90	BR	NR
RIG	FEB	95	BS	NS	RFU	FEB	95	BS	NS
RIG	FEB	100	BT	NT	RFU	FEB	100	BT	NT
RIG	FEB	105	BA	NA	RFU	FEB	105	BA	NA
RIG	FEB	110	BB	NB	RFU	FEB	110	BB	NB
RIG	FEB	115	BC	NC	RFU	FEB	115	BC	NC
RIG	FEB	120	BD	ND	RFU	FEB	120	BD	ND
RIG	FEB	125	BE	NE	RFU	FEB	125	BE	NE
RIG	FEB	130	BX	NX	RFU	FEB	130	BX	NX
RIG	FEB	135	BY	NY	RFU	FEB	135	BY	NY
RIG	FEB	140	BZ	NZ	RFU	FEB	140	BZ	NZ
RIG	FEB	145	BW	NW	RFU	FEB	145	BW	NW
RIG	FEB	150	BU	NU	RFU	FEB	150	BU	NU
RIG	MAY	80	EP	QP	RFU	MAY	80	EP	QP
RIG	MAY	85	EQ	QQ	RFU	MAY	85	EQ	QQ
RIG	MAY	90	ER	QR	RFU	MAY	90	ER	QR
RIG	MAY	95	ES	QS	RFU	MAY	95	ES	QS
RIG	MAY	100	ET	QT	RFU	MAY	100	ET	QT
RIG	MAY	105	EA	QA	RFU	MAY	105	EA	QA
RIG	MAY	110	EB	QB	RFU	MAY	110	EB	QB
RIG	MAY	115	EC	QC	RFU	MAY	115	EC	QC
RIG	MAY	120	ED	QD	RFU	MAY	120	ED	QD
RIG	MAY	125	EE	QE	RFU	MAY	125	EE	QE
RIG	MAY	130	EX	QX	RFU	MAY	130	EX	QX
RIG	MAY	135	EY	QY	RFU	MAY	135	EY	QY
RIG	MAY	140	EZ	QZ	RFU	MAY	140	EZ	QZ
RIG	MAY	145	EW	QW	RFU	MAY	145	EW	QW
RIG	MAY	150	EU	QU	RFU	MAY	150	EU	QU

Transocean Inc. - 2009 Leap (RIG/VOI)  
(Before - Date To Be Announced)  
100 shares RIG

			Call	Put
VOI	JAN	50	AJ	MJ
VOI	JAN	60	AL	ML
VOI	JAN	70	AN	MN
VOI	JAN	80	AP	MP
VOI	JAN	85	AQ	MQ
VOI	JAN	90	AR	MR
VOI	JAN	95	AS	MS
VOI	JAN	100	AT	MT
VOI	JAN	105	AA	MA
VOI	JAN	110	AB	MB

Transocean Inc. - 2009 Leap (RIG/ZRN)  
(Beginning - Date To Be Announced)  
(See New Deliverable Above)

			Call	Put
ZRN	JAN	50	AJ	MJ
ZRN	JAN	60	AL	ML
ZRN	JAN	70	AN	MN
ZRN	JAN	80	AP	MP
ZRN	JAN	85	AQ	MQ
ZRN	JAN	90	AR	MR
ZRN	JAN	95	AS	MS
ZRN	JAN	100	AT	MT
ZRN	JAN	105	AA	MA
ZRN	JAN	110	AB	MB

VOI	JAN	115	AC	MC	ZRN	JAN	115	AC	MC
VOI	JAN	120	AD	MD	ZRN	JAN	120	AD	MD
VOI	JAN	130	AF	MF	ZRN	JAN	130	AF	MF
VOI	JAN	140	AH	MH	ZRN	JAN	140	AH	MH
VOI	JAN	150	AZ	MZ	ZRN	JAN	150	AZ	MZ
VOI	JAN	160	AX	MX	ZRN	JAN	160	AX	MX
VOI	JAN	170	AY	MY	ZRN	JAN	170	AY	MY

Transocean Inc. - 2010 Leap (RIG/YDR)  
(Before - Date To Be Announced)  
100 shares RIG

			Call	Put
YDR	JAN	80	AP	MP
YDR	JAN	90	AR	MR
YDR	JAN	100	AT	MT
YDR	JAN	110	AB	MB
YDR	JAN	120	AD	MD
YDR	JAN	130	AF	MF
YDR	JAN	140	AH	MH

Transocean Inc. - 2010 Leap (RIG/YOB)  
(Beginning - Date To Be Announced)  
(See New Deliverable Above)

			Call	Put
YOB	JAN	80	AP	MP
YOB	JAN	90	AR	MR
YOB	JAN	100	AT	MT
YOB	JAN	110	AB	MB
YOB	JAN	120	AD	MD
YOB	JAN	130	AF	MF
YOB	JAN	140	AH	MH

The new RIG option contracts representing 100 shares of RIG, will be admitted to trading on Wednesday, November 28, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.