



**THE FOUNDATION
FOR SECURE
MARKETS**

#44156

DATE: DECEMBER 6, 2018

**SUBJECT: ADJUSTED POTLATCHDELTAIC CORPORATION – CASH IN LIEU
SETTLEMENT
ADJUSTED OPTION SYMBOL: PCH2**

Adjusted PotlatchDeltic Corporation options were adjusted on September 26, 2018 (See OCC Information Memo #44025). The new deliverable became 1) 109 PotlatchDeltic Corporation (PCH) Common Shares, and 2) Cash in lieu of 0.59352495 fractional PCH shares. Only settlement of the cash portion of PCH2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$36.88 per whole PCH share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.59352495 \times \$36.88 = \$21.89$$

Now that the cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of September 26, 2018 through December 6, 2018, to deliver the appropriate cash amount.

Terms of the PCH2 options are as follows:

New Deliverable Per Contract: 1) 109 PotlatchDeltic Corporation (PCH) Common Shares
2) \$21.89 Cash

STRIKE PRICES: Unchanged

CUSIP: 737630103

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

SETTLEMENT

The PCH component of PCH2 exercise/assignment activity from September 26, 2018 through December 5, 2018, has settle through National Security Clearing Corporation (NSCC). The \$21.89 cash amount will be settled by OCC.

PRICING

The underlying price for PCH2 options will be determined as follows:

$$PCH2 = 1.09 (PCH) + 0.2189$$

For example, if PCH closes at 35.60, the PCH2 price would be calculated as follows:

$$\text{PCH2} = 1.09 (35.60) + 0.2189 = 39.02$$

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 OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. 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.