



**THE FOUNDATION
FOR SECURE
MARKETS**

#44159

DATE: DECEMBER 6, 2018

SUBJECT: ROCKWELL COLLINS, INC. - CASH IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: UTX1
ADJUSTED FUTURES SYMBOL: COL2D

Rockwell Collins, Inc. options and futures were adjusted on November 27, 2018 (See OCC Information Memo #44091). The new deliverable became 1) 37 United Technologies Corporation (UTX) Common Shares, 2) Cash in lieu of 0.525 fractional UTX shares, and 3) \$9,333.00 Cash. Only settlement of the cash portion of UTX1 options exercise/assignment activity and COL2D futures settlement was subject to delayed settlement.

OCC has been informed that a price of \$122.10 per whole UTX share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.525 \times \$122.10 = \$64.10 \text{ per UTX1 and COL2D Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of November 27, 2018 through December 6, 2018, to deliver the appropriate cash amount.

Terms of the UTX1 options and COL2D futures are as follows:

New Deliverable Per Contract: 1) 37 United Technologies Corporation (UTX) Common Shares
2) \$9,397.10 Cash (\$9,333.00 + \$64.10)

STRIKE PRICES: Unchanged

CUSIP: UTX: 913017109

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

SETTLEMENT

The UTX component of UTX1 exercise/assignment activity and COL2D futures settlement from November 27, 2018 through December 5, 2018, has settled through National Security Clearing Corporation (NSCC). The \$9,397.10 cash amount will be settled by OCC.

PRICING

The underlying price for UTX1 options and COL2D futures will be determined as follows:

$$\text{UTX1} = 0.37 (\text{UTX}) + 93.9710$$

For example, if UTX closes at 120.87, the UTX1 price would be calculated as follows:

$$\text{UTX1} = 0.37 (120.87) + 93.9710 = 138.69$$

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.