



#42759

**DATE:** MARCH 9, 2018

**SUBJECT:** STRAIGHT PATH COMMUNICATIONS INC. - CASH IN LIEU SETTLEMENT  
ADJUSTED OPTION SYMBOL: VZ1

Straight Path Communications Inc. options were adjusted on February 28, 2018 (See OCC Information Memo #42689). The new deliverable became 1) 379 Verizon Communications Inc. (VZ) Common Shares, and 2) Cash in lieu of 0.69 fractional VZ shares. Only settlement of the cash portion of VZ1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$48.64789 per whole VZ share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.69 \times \$48.64789 = \$33.57 \text{ per VZ1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of February 28, 2018 through March 9, 2018, to deliver the appropriate cash amount.

Terms of the VZ1 options are as follows:

New Deliverable Per Contract: 1) 379 Verizon Communications Inc. (VZ) Common Shares  
2) \$33.57 Cash

STRIKE PRICES: Unchanged

CUSIP: VZ: 92343V104

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

### **SETTLEMENT**

The VZ component of VZ1 exercise/assignment activity from February 28, 2018 through March 8, 2018, has settled through National Security Clearing Corporation (NSCC). The \$33.57 cash amount will be settled by OCC.

### **PRICING**

The underlying price for VZ1 options will be determined as follows:

$$VZ1 = 3.79 (VZ) + 0.3357$$

For example, if VZ closes at 49.01, the VZ1 price would be calculated as follows:

$$VZ1 = 3.79 (49.01) + 0.3357 = 186.08$$

## **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@theooc.com](mailto:investorservices@theooc.com). Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theooc.com](mailto:memberservices@theooc.com).