DATE: SEPTEMBER 30, 2019

SUBJECT: RAYTHEON COMPANY - ANTICIPATED ADJUSTMENT
OPTION SYMBOLS: RTN/1RTN/2RTN
NEW SYMBOLS: RTX2/1RTX2/2RTX2
FUTURES SYMBOL: RTN1D
NEW SYMBOL: RTN2D
DATE: ?

**Contract Adjustment**

DATE: Effective the opening of the business day after the merger is consummated. Contract adjustment is anticipated to occur in the first half of 2020.

OPTION SYMBOLS: RTN changes to RTX2
1RTN changes to 1RTX2
2RTN changes to 2RTX2

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields $150; a strike of 195 yields $19,500.00)

NEW DELIVERABLE PER CONTRACT: 1) 233 Raytheon Technologies Corporation (RTX) Common Shares
2) Cash in lieu of 0.48 fractional RTX Common Shares

CUSIP: (New) RTX: TBD

**PRICING**

Until the cash in lieu amount is determined, the underlying price for RTX2/1RTX2/2RTX2 will be determined as follows:

\[ RTX2 = 2.3348 \times (RTX) \]

**DELAYED SETTLEMENT**

The RTX component of the RTX2/1RTX2/2RTX2 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the RTX2/1RTX2/2RTX2 deliverable
until the cash in lieu of fractional RTX shares 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. Contract adjustment is anticipated to occur in the first half of 2020.

**FUTURES SYMBOL:**
RTN1D changes to RTN2D

Note: All Raytheon Company (RTN) futures active at the time of the contract adjustment will be adjusted in a similar manner to that of RTN1D futures.

**NUMBER OF CONTRACTS:**
No Change

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

**NEW DELIVERABLE PER CONTRACT:**
1) 233 Raytheon Technologies Corporation (RTX) Common Shares
2) Cash in lieu of 0.48 fractional RTX Common Shares

**CUSIP:**
(New) RTX: TBD

**PRICING**

Until the cash in lieu amount is determined, the underlying price for the RTN2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

\[
RTN2D = 2.3348 \times (RTX)
\]

Please note that the valuation would apply only to the RTN2D 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 RTX component of the RTN2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the RTN2D deliverable until the cash in lieu of fractional RTX shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

**BACKGROUND**

On October 11, 2019, Shareholders of Raytheon Company (RTN) will vote concerning the proposed merger with United Technologies Corporation (UTX). If the merger is approved and consummated, UTX will change its name and trading symbol to (New) Raytheon Technologies Corporation (RTX), and each existing RTN Common Share will be converted into the right to receive 2.3348 (New) Raytheon Technologies Corporation (RTX) Common Shares. Cash will be paid in lieu of fractional RTX shares.

Raytheon Technologies Corporation Common Shares will trade on the New York Stock Exchange under the symbol “RTX”. 
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.