



#41021

**DATE: APRIL 20, 2017**

**SUBJECT: COL1 OPTIONS - EXPIRATION PRICING CONSIDERATION**

COL1 (Adjusted B/E Aerospace, Inc. options) will be subject to special pricing consideration in expiration processing on April 21, 2017. The pricing consideration is due to the undetermined number of shares and undetermined cash in lieu amount included in the option deliverable of COL1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

**COL1**

COL1 options are adjusted B/E Aerospace, Inc. options, adjusted April 13, 2017, (see OCC Information Memo #40992). The deliverable of COL1 options is:

**NEW DELIVERABLE**

- PER CONTRACT:**
- 1) Approximately 31 Rockwell Collins, Inc. (COL) Common Shares
  - 2) Cash in lieu of approximately 0.01 fractional COL shares, if any
  - 3) \$3,410.00 Cash

As of April 20, 2017, the COL Exchange Agent has not determined the final exchange ratio or the price to be used to determine the cash in lieu amount.

For purposes of calculating a COL1 price for use in expiration processing, OCC will use the following formula:

$$\text{COL1} = 0.3101 (\text{COL}) + 34.10$$

For example, if COL closes at 98.04, the COL1 price would be:

$$\text{COL1} = 0.3101 (98.04) + 34.10 = 64.50$$

This formula includes an estimate for the number of COL shares and the value of the cash in lieu amount and not the actual number of shares or cash in lieu amount applicable in the merger.

**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](mailto: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](mailto:memberservices@theocc.com).