



#29293

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**DATE:** AUGUST 4, 2011

**SUBJECT:** VALE S.A. PREFERRED - CASH DISTRIBUTION  
OPTION SYMBOL: VALEP  
NEW OPTION SYMBOL: VALP1  
DATE: 8/12/11

Vale S.A. (VALEP) has announced an additional cash dividend of approximately \$0.574902 per VALE preferred share, subject to Board of Director approval. If approved, the record date will be August 16, 2011; payable date will be September 2, 2011. The ex-distribution date for this distribution will be August 12, 2011.

**CONTRACT ADJUSTMENT**

**EFFECTIVE DATE:** August 12, 2011

**NEW MULTIPLIER:** 100 (e.g., for premium extensions a premium of 1.50 equals \$150; a strike of 30 yields \$3,000.00).

**CONTRACT MULTIPLIER:** 1

**STRIKE PRICES:** No Change

**OPTION SYMBOLS:** VALEP changes to VALP1

**DELIVERABLE PER CONTRACT:**

- 1) 100 Vale S.A. (VALEP) American Depositary Preferred Shares
- 2) Approximately \$57.49 (\$0.574902 x 100)

**CUSIP:** 91912E204

**DELAYED SETTLEMENT**

The VALEP component of the VALP1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the VALP1 deliverable until exact cash distribution amount is determined. Upon determination of the cash dividend amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount. **CLEARING MEMBERS SHOULD REMIND CUSTOMERS THAT SETTLEMENT OF VALP1 EXERCISE/ASSIGNMENT ACTIVITY WILL INCLUDE A FUTURE OBLIGATION TO PAY THE CASH AMOUNT.**

**PRICING**

The underlying price for VALP1 will be determined as follows:

$$\text{VALP1} = \text{VALEP} + \text{approximately } \$0.5749$$

### **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.

**CATEGORY: CONTRACT ADJUSTMENT**

**SUB-CATEGORY: CASH DIVIDEND**

**For questions regarding this memo, call 1-888-OPTIONS or email [options@theocc.com](mailto:options@theocc.com).**