



#31798

**Back to Infomemo Search**

**DATE:** DECEMBER 7, 2012

**SUBJECT:** THE GEO GROUP, INC. - SPECIAL DIVIDEND (ELECTION)

**OPTION SYMBOL:** GEO

**NEW SYMBOL:** GEO1

**DATE:** 12/10/12

The GEO Group, Inc. (GEO) has declared a \$5.68 Special Dividend to GEO Common Shareholders. GEO Shareholders have the right to elect to receive the Special Dividend in Common Stock (share election) or cash (cash election). The Election Deadline is December 24, 2012. GEO Shareholders who fail to make an election will be deemed to have made the cash election, which is subject to proration. If the cash election is prorated, the exact amount of cash and Common Stock to be received by non-electing shareholders will be determined by the company after the Election Deadline on a date to be announced.

The Ex-distribution Date will be Monday, December 10, 2012. The Payable Date is December 31, 2012. The Record Date is December 12, 2012.

**Exercise Consideration** – On December 10, 2012, GEO options will become adjusted symbol GEO1. The deliverable for GEO1 will reflect the additional amount of cash and potentially shares distributed for the dividend in the form of the prorated cash election. **GEO** Call option holders who do not wish to receive the Special Dividend in the form of the prorated cash election, must exercise their options in sufficient time in advance of the contract adjustment to observe all conditions of the election. In all cases it is the sole responsibility of persons holding call options seeking to participate in the election to determine when to exercise their options and to comply with all terms and conditions of the election.

**Contract Adjustment**

Effective Date: December 10, 2012

Option Symbol: GEO changes to GEO1

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100 (e.g., for premium or strike dollar extensions 1.00 will equal \$100)

New Deliverable Per Contract:

- 1) 100 The GEO Group, Inc. (GEO) Common Shares
- 2) An additional amount cash and potentially GEO Common Shares valued at approximately \$568.00 (\$5.68 x 100)
- 3) Cash in lieu of fractional GEO shares, if any

CUSIP: 36159R103

## **PRICING**

Until the exact amount of additional GEO shares to be included in the GEO deliverables is determined, the underlying price for GEO will be determined as follows:

$$\text{GEO1} = \text{GEO} + 5.68$$

## **DELAYED SETTLEMENT**

OCC will delay settlement of both the GEO component and the cash portion of the GEO deliverables until the exact amount of additional cash and GEO shares to be included in the GEO deliverable is determined. Upon determination of the non-electing distribution and cash in lieu of fractional share amount, if any, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount and securities. Once determined, the GEO component of the GEO1 deliverable will settle through National Securities Clearing Corporation (NSCC). Clearing members should remind customers that settlement of GEO exercise/assignment activity will include a future obligation to deliver GEO Common Shares and pay the cash in lieu amount, if any.

## **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 ADJUSTMENTS**

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