



#32040

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**DATE:** JANUARY 2, 2013

**SUBJECT:** OIL SERVICE HOLDRS TRUST: CASH  
SETTLEMENT/ACCELERATION OF EXPIRATIONS  
OPTION SYMBOL: OIHYL  
\* \* \* UPDATE \* \* \*

This Information Memo is an update of events described in OCC Information Memo 31903. That Memo indicated the timetable for the liquidation of the HOLDRS was anticipated to occur 12 months after the termination of the respective Trust agreements. OCC has been informed that Bank of New York Mellon (BNY) has set January 7, 2013 as the effective date for the mandatory surrender of outstanding Oil Service HOLDRS Trust Receipts.

**SUMMARY OF EXCHANGE OFFERS AND RELATED EVENTS**

On August 12, 2011, Van Eck Global and Merrill Lynch & Co. announced an agreement relating to various Merrill Lynch-sponsored HOLDRS securities whereby Van Eck's Market Vectors ETF Trust offered investors in Oil Services HOLDRS, Semiconductor HOLDRS, Pharmaceutical HOLDRS, Biotech HOLDRS, Retail HOLDRS, and Regional Bank HOLDRS (collectively the HOLDRS) the opportunity to exchange the HOLDRS securities (collectively the Exchange Offers) for shares of new Market Vectors Exchange Traded Funds (ETFs). Each of the respective HOLDRS were exchangeable for a new corresponding Market Vector ETF security. Participation in the Exchange Offers was voluntary and required positive action on the part of holders of the HOLDRS securities to effect the exchanges.

The respective HOLDRS Trusts were terminated at the time of the completion of the Exchange Offers. The Bank of New York Mellon (BNY), the Trustee for each of the HOLDRS, has liquidated the HOLDRS after 12 months following the terminations by selling the component securities underlying the HOLDRS. Effective January 7, 2013, the proceeds of the liquidation will be distributed upon surrender of the HOLDRS (less applicable fees and expenses) on a pro rata basis (the Liquidation Amounts).

BNY Mellon has determined the net proceeds of the sale of the deposited securities on a pro-rata basis to be \$114.822447 per OIHYL receipt, less a \$0.10 cancellation fee.

Oil Service HOLDRS (OIHYL) underlie option OIHYL.

**CONTRACT ADJUSTMENT**

**DATE:** January 7, 2013

**NEW DELIVERABLE  
PER CONTRACT:** \$11,472.24 Cash (\$114.822447, less \$0.10 fee, x 100)

Settlement in OIHYL options will take place through OCC's cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable.

## **ACCELERATION OF EXPIRATIONS**

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash-only delivery will be subject to an acceleration of the expiration dates for outstanding option series. (See OCC Information Memo 23707) Additionally, the exercise by exception (ex by ex) threshold for expiring series will be \$.01 in all account types.

All series of Oil Service HOLDRS Trust (OIHYL) options whose expiration dates are after 1-19-2013 will have their expiration dates advanced to 1-19-2013. Expiration dates occurring before 1-19-2013 (e.g., Flex options) will remain unchanged.

Oil Service HOLDRS Trust (OIHYL) options will utilize a \$.01 exercise threshold.

Option Symbols: OIHYL

Existing Expiration: All months

New expiration date: 1-19-2013

Existing American-style Oil Service HOLDRS Trust (OIHYL) options remain exercisable at the option of the holder prior to their expiration. Exercised options will continue to settle in three business days.

## **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. Options 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).**