



**THE FOUNDATION
FOR SECURE
MARKETS**

#46290

DATE: JANUARY 3, 2020

**SUBJECT: VIACOM INC. - CASH IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: VIAC2
ADJUSTED FUTURES SYMBOLS: VIAB2D/VIAB2I**

Viacom Inc. options and futures were adjusted on December 5, 2019 (See OCC Information Memo #46100). The new deliverable became 1) 59 ViacomCBS Inc. (VIAC) Class B Common Shares, and 2) Cash in lieu of 0.625 fractional VIAC shares. Only settlement of the cash portion of VIAC2 options exercise/assignment activity and VIAB2D/VIAB2I futures settlement was subject to delayed settlement.

OCC has been informed that a price of \$43.71 per whole VIAC share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.625 \times \$43.71 = \$27.32 \text{ per VIAC2 and VIAB2D/VIAB2I Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of December 5, 2019 through January 3, 2020, to deliver the appropriate cash amount.

Terms of the VIAC2 options and VIAB2D/VIAB2I futures are as follows:

New Deliverable Per Contract: 1) 59 ViacomCBS Inc. (VIAC) Class B Common Shares
2) \$27.32 Cash

STRIKE PRICES: Unchanged

CUSIP: VIAC: 92556H206

MULTIPLIER: 100 (i.e., a premium of 1.50 yields \$150)

SETTLEMENT

The VIAC component of VIAC2 exercise/assignment activity and VIAB2D/VIAB2I futures settlement from December 5, 2019 through January 2, 2020, has settled through National Security Clearing Corporation (NSCC). The \$27.32 cash amount will be settled by OCC.

PRICING

The underlying price for VIAC2 options and VIAB2D/VIAB2I futures will be determined as follows:

$$\text{VIAC2} = 0.59 (\text{VIAC}) + 0.2732$$

For example, if VIAC closes at 41.76, the VIAC2 price would be calculated as follows:

$$\text{VIAC2} = 0.59 (41.76) + 0.2732 = 24.91$$

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.