



**THE FOUNDATION
FOR SECURE
MARKETS**

#47681

DATE: OCTOBER 5, 2020

**SUBJECT: TD AMERITRADE HOLDING CORPORATION – CONTRACT
ADJUSTMENT
OPTION SYMBOLS: AMTD/2AMTD
NEW SYMBOLS: SCHW1/2SCHW1
DATE: 10/6/20**

Contract Adjustment

DATE: October 6, 2020

OPTION SYMBOLS: AMTD changes to SCHW1
2AMTD changes to 2SCHW1

STRIKE DIVISOR: 1

CONTRACTS
MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 40.00 yields \$4,000.00)

NEW DELIVERABLE
PER CONTRACT: 1) 108 The Charles Schwab Corporation (SCHW) Common Shares
2) Cash in lieu of 0.37 fractional SCHW shares

CUSIP: SCHW: 808513105

PRICING

Until the cash in lieu of fractional shares is determined, the underlying price for SCHW1/2SCHW1 will be determined as follows:

$$\text{SCHW1} = 1.0837 (\text{SCHW})$$

DELAYED SETTLEMENT

The SCHW component of the SCHW1/2SCHW1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the SCHW1 deliverable until the cash in lieu of fractional SCHW shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

BACKGROUND

On June 4, 2020, Shareholders of TD Ameritrade Holding Corporation (AMTD) voted concerning the proposed merger with The Charles Schwab Corporation (SCHW). The merger was approved and subsequently consummated before the open on October 6, 2020. As a result, each existing AMTD Common Share will be converted into the right to receive 1.0837 SCHW Common Shares. Cash will be paid in lieu of fractional SCHW shares.

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.