



DATE: NOVEMBER 19, 2020

**SUBJECT: ADJUSTED PFIZER INC. - DETERMINATION OF DELIVERABLE
ADJUSTED OPTION SYMBOLS: PFE1/1PFE1/2PFE1
* * * REPOST * * ***

Adjusted Pfizer Inc. options were adjusted on November 17, 2020 (See OCC Information Memo #47834). The new deliverable became 1) 100 Pfizer Inc. (PFE) Common Shares, 2) Approximately 12 Viatris Inc. (VTRS) Common Shares, and 3) Cash in lieu of approximately 0.47 fractional VTRS shares. Settlement of the VTRS and cash components of PFE1/1PFE1/2PFE1 options exercise/assignment activity were subject to delayed settlement.

OCC has been informed that the final distribution ratio is 0.1240788849 VTRS shares per PFE share held.

OCC has not yet been informed of a price to be used in determining the cash in lieu of fractional shares.

Now that the distribution ratio has been determined, OCC will require Put exercisers and Call assignees, during the period of November 17, 2020 through November 19, 2020, to deliver the appropriate VTRS share amount.

Terms of the PFE1/1PFE1/2PFE1 options are as follows:

New Deliverable Per Contract: 1) 100 Pfizer Inc. (PFE) Common Shares
2) 12 Viatris Inc. (VTRS) Common Shares
3) Cash in lieu of 0.40788849 fractional VTRS shares

STRIKE PRICES: Unchanged

CUSIPS: PFE: 717081103
VTRS: 92556V106

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

SETTLEMENT

The PFE component of PFE1/1PFE1/2PFE1 exercise/assignment activity has settled through National Security Clearing Corporation (NSCC). The VTRS component of PFE1/1PFE1/2PFE1 exercise/assignment activity, which was delayed from November 17, 2020 through November 18, 2020, will settle through National Security Clearing Corporation (NSCC). OCC will continue to delay the cash portion of the PFE1/1PFE1/2PFE1 deliverable until the cash in lieu amount is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

PRICING

Until the cash in lieu amount is determined, underlying price for PFE1/1PFE1/2PFE1 options will be determined as follows:

$$\text{PFE1} = \text{PFE} + 0.1240788849 (\text{VTRS})$$

For example, if PFE closes at 36.32 and VTRS closes at 16.19, the PFE1/1PFE1/2PFE1 prices would be calculated as follows:

$$\text{PFE1} = 36.32 + 0.1240788849 (16.19) = 38.33$$

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.