



**THE FOUNDATION
FOR SECURE
MARKETS**

#48100

DATE: DECEMBER 31, 2020

SUBJECT: PDL BIOPHARMA, INC. – ANTICIPATED ADJUSTMENT
OPTION SYMBOL: PDLI
NEW OPTION SYMBOL: PDLI1
DATE: ???

On August 19, 2020, Shareholders of PDL BioPharma, Inc. (PDLI) approved the proposed voluntary Plan of Dissolution (“Plan”). As a result each existing PDLI Common Share will be converted into the right to receive a pro rata part of liquidating distribution(s), if any, made in connection with the Dissolution, as described in the PDLI Proxy Statement dated July 7, 2020 (“Proxy”).

Although the company anticipates that it will sell each of its material assets prior to making distributions, if any, its board is evaluating alternative transactions with respect to certain assets. Thus, there is the potential for the liquidating distributions, if any, to include non-cash assets.

The last day of trading for PDLI shares was December 30, 2020, and PDLI were suspended from trading on Nasdaq prior to the opening of trading on December 31, 2020. PDLI does not expect that a trading market will develop for its Common Stock following suspension of trading on Nasdaq. PDLI intends to file its Certificate of Dissolution on or about January 4, 2021.

Contract Adjustment

DATE: Effective the opening of the business day after the dissolution is effective.

OPTIONS SYMBOL: PDLI changes to PDLI1

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g. a premium of 1.50 yields \$150; a strike of 2 yields \$200.00)

NEW DELIVERABLE PER CONTRACT: 100 x the total liquidating distribution(s), if any, received by PDLI shareholders, if any. The liquidating distribution amount may be in the form of cash or other non-cash assets, or a combination of both, as described in the Proxy.

DELAYED SETTLEMENT

PDLI exercise and assignment activity will be subject to delayed settlement starting December 31, 2020, until the final liquidating distributions, if any, are determined.

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.