



Date: March 18, 2021

Subject: MS2 Options - Expiration Pricing Consideration

MS2 (adjusted Eaton Vance Corporation options) will be subject to special pricing consideration in expiration processing on March 19, 2021. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of MS2 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

MS2

MS2 options are adjusted Eaton Vance Corporation options, adjusted March 8, 2021 (see OCC Information Memo #48362). The deliverable of MS2 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 58 Morgan Stanley (MS) Common Shares
- 2) Cash in lieu of 0.33 fractional MS shares
- 3) \$2,825.00 Cash (\$28.25 x 100)

As of March 18, 2021, the EV Exchange Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a MS2 price for use in expiration processing, OCC will use the following formula:

$$\text{MS2} = 0.5833 (\text{MS}) + 28.25$$

For example, if MS closes at 83.94, the MS2 price would be:

$$\text{MS2} = 0.5833 (83.94) + 28.25 = 77.21$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the merger.

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@theooc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theooc.com.