



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#48487**

**Date:** March 25, 2021

**Subject:** Eaton Vance Corporation – Cash In Lieu Settlement  
Adjusted Option Symbol: MS2

Eaton Vance Corporation options were adjusted on March 1, 2021 (See OCC Information Memo #48362). The new deliverable became 1) 58 Morgan Stanley (MS) Common Shares, 2) Cash in lieu of 0.33 fractional MS shares, and 3) \$2,825.00 Cash. Only settlement of the cash portion of MS2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$83.65 per whole MS share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.33 \times \$83.65 = \$27.60 \text{ per MS2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of March 1, 2021 through March 25, 2021, to deliver the appropriate cash amount.

**The cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.**

Terms of the MS2 options are as follows:

**New Deliverable**

**Per Contract:** 1) 58 Morgan Stanley (MS) Common Shares  
2) \$2,852.60 Cash (\$2,825.00 + \$27.60)

**Strike Prices:** Unchanged

**CUSIP:** MS: 617446448

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

**Settlement**

The MS component of MS2 exercise/assignment activity from March 1, 2021 through March 24, 2021, has settled through National Security Clearing Corporation (NSCC). The \$2,852.60 cash amount will be settled by OCC.

**Pricing**

The underlying price for MS2 will be determined as follows:

$$MS2 = 0.58 (MS) + 28.5260$$

For example, if MS closes at 79.33, the MS2 price would be calculated as follows:

$$MS2 = 0.58 (79.33) + 28.5260 = 74.54$$

### **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](mailto: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](mailto:memberservices@theocc.com).