



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#49158**

**Date:** August 20, 2021

**Subject:** Brookfield Property REIT. – Cash In Lieu Settlement  
Adjusted Option Symbol: BAM3

Brookfield Property REIT options were adjusted on July 27, 2021 (See OCC Information Memo #49082). The new deliverable became 1) 9 Brookfield Asset Management Inc. (BAM) Common Shares, 2) Cash in lieu of 0.133631 fractional BAM shares, 3) 6 Brookfield Property Preferred Limited Partnership (BPYPM) Units, 4) Cash in lieu of 0.572057 BPYPM units, and 5) \$1,238.42 Cash. Only settlement of the cash portion of BAM3 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$52.64 per whole BAM share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu of fractional BAM share amount is:

$$0.133631 \times \$52.64 = \$7.03 \text{ per BAM3 Contract}$$

OCC has been informed that a price of \$23.42 per whole BPYPM share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu of fractional BPYPM share amount is:

$$0.572057 \times \$23.42 = \$13.40 \text{ per BAM3 Contract}$$

Now that the exact cash in lieu amounts have been determined, OCC will require Put exercisers and Call assignees, during the period of July 27, 2021 through August 20, 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 BAM3 options are as follows:

**New Deliverable**

**Per Contract:**

- 1) 9 Brookfield Asset Management Inc. (BAM) Common Shares
- 2) 6 Brookfield Property Preferred Limited Partnership (BPYPM) Units
- 3) \$1,258.85 Cash (\$1,238.42 + \$7.03 + \$13.40)

**Strike Prices:** Unchanged

**Settlement**

**Allocation:**

BAM: 95%  
BPYPM: 5%

**CUSIPS:**

BAM: 112585104  
BPYPM: G1624R107

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

### **Settlement**

The BAM and BPYPM components of BAM3 exercise/assignment activity from July 27, 2021 through August 19, 2021, has settled through National Security Clearing Corporation (NSCC). The \$1,258.85 cash amount will be settled by OCC.

### **Pricing**

The underlying price for BAM3 will be determined as follows:

$$\text{BAM3} = 0.09 (\text{BAM}) + 0.06 (\text{BPYPM}) + 12.5885$$

For example, if BAM closes at 54.60 and BPYPM closes at 24.75, the BAM3 price would be calculated as follows:

$$\text{BAM3} = 0.09 (54.60) + 0.06 (24.75) + 12.5885 = 18.99$$

### **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).