



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#49171**

**Date:** August 24, 2021

**Subject:** Adjusted L Brands, Inc. – Cash In Lieu Settlement  
Adjusted Option Symbol: BBWI1

Adjusted Bath & Body Works, Inc. (formerly known as L Brands, Inc.) options were adjusted on August 3, 2021 (See OCC Information Memo #49044).

The new deliverable became 1) 100 Bath & Body Works, Inc. (BBWI) Common Shares, 2) 33 Victoria's Secret & Co. (VSCO) Common Shares, and 3) Cash in lieu of approximately 0.3333 fractional VSCO Common Shares. Only settlement of the cash portion of BBWI1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$56.79482 per whole VSCO share will be used to determine the cash in lieu amount at a rate of 0.3333. Accordingly, the cash in lieu amount is:

$$0.3333333 \times \$56.79482 = \$18.93 \text{ per BBWI1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of August 3, 2021 through August 24, 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 BBWI1 options are as follows:

**New Deliverable**

**Per Contract:**

- 1) 100 (New) Bath & Body Works, Inc. (BBWI) Common Shares
- 2) 33 (New) Victoria's Secret & Co. (VSCO) Common Shares
- 3) \$18.93 Cash

**Strike Prices:** Unchanged

**CUSIP:** BBWI: 070830104  
VSCO: 926400102

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

**Settlement**

The BBWI and VSCO components of BBWI1 exercise/assignment activity from August 3, 2021 through August 23, 2021, have settled through National Security Clearing Corporation (NSCC). The \$18.93 cash amount will be settled by OCC.

## **Pricing**

The underlying price for BBWI1 will be determined as follows:

$$\text{BBWI1} = \text{BBWI} + 0.333333 (\text{VSCO}) + 0.1893$$

For example, if BBWI closes at 67.59 and VSCO closes at 66.09, the BBWI1 price would be calculated as follows:

$$\text{BBWI1} = 67.59 + 0.333333 (66.09) + 0.1893 = 89.81$$

## **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).