



**THE FOUNDATION
FOR SECURE
MARKETS**

#49416

Date: October 15, 2021

Subject: International Business Machines Corporation – Distribution
Option Symbols: IBM/2IBM
New Symbols: IBM1/2IBM1
Date: 11/04/2021

Contract Adjustment

Effective Date: November 4, 2021

Option Symbols: IBM changes to IBM1
2IBM changes to 2IBM1

Strike Prices: No Change

Number of Contracts: No Change

Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 144.00 yields \$14,400.00)

New Deliverable Per Contract:
1) 100 International Business Machines Corporation (IBM) Common Shares
2) 20 (New) Kyndryl Holdings, Inc. (KD) Common Shares

Settlement Allocation: IBM: TBD
KD: TBD

CUSIPs: IBM: 459200101
KD: 50155Q100

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

Pricing

The underlying price for IBM1/2IBM1 will be determined as follows:

$$\text{IBM1} = \text{IBM} + 0.20 (\text{KD})$$

Background

International Business Machines Corporation (IBM) has announced a distribution of (New) Kyndryl Holdings, Inc. (KD) Common Shares. The distribution ratio is 0.20 of a KD share for each IBM share held. The record date is October 25, 2021; the payable date is November 3, 2021. The NYSE has set November 4, 2021, as the ex-distribution date for this distribution.

Kyndryl Holdings, Inc. Common Shares will begin trading on a when issued basis on October 22, 2021 on the NYSE under the trading symbol "KD WI".

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.