



Date: October 22, 2021

Subject: IP1 Options - Expiration Pricing Consideration

IP1 (adjusted International Paper Company options) will be subject to special pricing consideration in expiration processing on October 22, 2021. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of IP1 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.

IP1

IP1 options are adjusted International Paper Company options, adjusted October 1, 2021 (see OCC Information Memo #49326). The deliverable of IP1 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 100 International Paper Company (IP) Common Shares
- 2) 9 Sylvamo Corporation (SLVM) Common Shares
- 3) Cash in lieu of approximately 0.0909 fractional SLVM Common Shares

As of October 22, 2021, the SLVM Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating an IP1 price for use in expiration processing, OCC will use the following formula:

$$IP1 = IP + 0.090909 \text{ (SLVM)}$$

For example, if IP closes at 53.16 and SLVM closed at 27.31, the IP1 price would be:

$$IP1 = 53.16 + 0.090909 (27.31) = 55.64$$

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

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.