



**THE FOUNDATION
FOR SECURE
MARKETS**

#49607

Date: November 18, 2021

Subject: Adjusted Dell Technologies Inc. – Cash In Lieu Settlement
Adjusted Option Symbol: DELL1

Dell Technologies Inc. options were adjusted on November 2, 2021 (See OCC Information Memo #49493).

The new deliverable became 1) 100 Dell Technologies Inc. (DELL) Class C Common Shares, 2) 44 VMware, Inc. (VMW) Class A Common Shares and 3) Cash in lieu of 0.0626 fractional VMW Class A Common Shares. Only settlement of the cash portion of DELL1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$126.17808 per whole VMW share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.0626 \times \$126.17808 = \$7.90 \text{ per DELL1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of November 2, 2021 through November 18, 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 DELL1 options are as follows:

New Deliverable

Per Contract:

- 1) 100 Dell Technologies Inc. (DELL) Class C Common Shares
- 2) 44 VMware, Inc. (VMW) Class A Common Shares
- 3) \$7.90 Cash

Strike Prices: Unchanged

CUSIPs: DELL: 24703L202
VMW: 928563402

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

Settlement

The DELL and VMW components of DELL1 exercise/assignment activity from November 2, 2021 through November 17, 2021, have settled through National Security Clearing Corporation (NSCC). The \$7.90 cash amount will be settled by OCC.

Pricing

The underlying price for DELL1 will be determined as follows:

$$\text{DELL1} = \text{DELL} + 0.44 (\text{VMW}) + 0.079$$

For example, if DELL closes at 56.00 and VMW closes at 123.30, the DELL1 price would be calculated as follows:

$$\text{DELL1} = 56.00 + 0.44 (123.30) + 0.079 = 110.33$$

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.