



**THE FOUNDATION
FOR SECURE
MARKETS**

#50466

Date: May 19, 2022

Subject: Adjusted Luby's, Inc. – Anticipated Further Adjustment/Anticipated
Cash Settlement
Adjusted Option Symbol: LUB1
Date: 05/31/2022???

Adjusted Luby's, Inc. (adjusted option symbol LUB1) options were adjusted on March 18, 2022 and May 16, 2022 (See OCC Information Memos #50174 and #50384). The new deliverable became 1) 100 Luby's, Inc. (LUB) Common Shares, and 2) \$70.00 Cash.

On November 17, 2020, Shareholders of Luby's, Inc. (LUB) approved the Plan of Liquidation and Dissolution ("Plan") described in the LUB Proxy Statement dated October 6, 2020 ("Proxy"). In accordance with the Plan, LUB will transfer its remaining assets and liabilities to a Liquidating Trust on May 31, 2022. In connection with the transfer LUB will be dissolved and the last day of trading for LUB shares on NYSE will be May 27, 2022.

On May 31, 2022, all outstanding LUB shares will be cancelled and all LUB stockholders at that time will automatically receive a distribution of one Liquidating Trust unit for each common share. After being distributed, the Liquidating Trust units will not be transferable or assignable, except by will, intestate succession, or operation of law. The Liquidating Trust units will not be certificated and will not be listed on any exchange or quoted on any quotation system or otherwise tradeable in any public or private transactions.

Adjusted LUB1 options will be further adjusted to reflect the distribution of Liquidating Trust units as described below.

Contract Adjustment Determination

Due to the Units' lack of transferability, OCC has determined that, pursuant to Article VI, Section 11A of the OCC By-Laws, a cash value equivalent will be determined for the distribution of Units. Consequently, the LUB1 option deliverable will be converted into the cash equivalent of 100 Units after the distribution is made, plus \$70.00.

NOTE: The LUB1 further adjustment in response to the conversion of LUB shares to Units will be final once the cash equivalent of the Unit is determined and no additional distributions will be made.

Important Exercise Consideration – The last day for trading LUB Shares on NYSE will be May 27, 2022. When the contract adjustment becomes effective, the option deliverable for LUB1 will be converted into the cash equivalent of 100 Units per 100 LUB Shares, plus \$70.00. Once the cash value is determined, settlement in LUB1 options will take place through OCC's cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable. **LUB1 Call option holders who wish to receive Units and who do not wish to receive the cash equivalent of**

the Units should exercise their options prior to the suspension of trading of LUB shares on NYSE. LUB1 Call option holders who do not exercise their options in sufficient time to become a holder of LUB shares prior to the conversion of LUB shares to Units will not receive any future distributions that may be made to Unit holders. In all cases, it is the sole responsibility of persons holding call options seeking to receive Units to determine when to exercise their options.

Contract Adjustment

The option symbol LUB1 will not change.

Date: Anticipated to occur on May 31, 2022

New Deliverable

Per Contract: 1) 100 x the cash equivalent of one Liquidating Trust Unit received per LUB Common Share
2) \$70.00 Cash

Settlement in LUB1 options will take place through OCC's cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable.

NOTE: Expiration dates of LUB1 will not be accelerated under OCC Rule 807.

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.