



**THE FOUNDATION
FOR SECURE
MARKETS®**

#51768

Date: January 13, 2023

Subject: GE2 Options - Expiration Pricing Consideration

GE2 (adjusted General Electric Company options) will be subject to special pricing consideration in expiration processing on January 13, 2023. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of GE2 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.

GE2

GE2 options are adjusted General Electric Company options, adjusted January 4, 2023 (see OCC Information Memo #51622). The deliverable of GE2 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 100 General Electric Company (GE) Common Shares
- 2) 33 GE HealthCare Technologies Inc. (GEHC) Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional GEHC shares

As of January 13, 2023, the GE Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a GE2 price for use in expiration processing, OCC will use the following formula:

$$\text{GE2} = \text{GE} + 0.333333 (\text{GEHC})$$

For example, if GE closes at 78.86 and GEHC closes at 65.65, the GE2 price would be:

$$\text{GE2} = 78.86 + 0.333333 (65.65) = 100.74$$

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, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.