



Date: January 19, 2023

Subject: BN2 Options - Expiration Pricing Consideration

BN2 (adjusted Brookfield Property Partners L.P. options) will be subject to special pricing consideration in expiration processing on January 20, 2023. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of BN2 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.

BN2

BN2 options are adjusted Brookfield Property Partners L.P. options, adjusted July 27, 2021 and December 12, 2022 (see OCC Information Memos #49157 and #51527). The deliverable of BN2 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 9 Brookfield Corporation (BN) Class A Limited Voting Shares
- 2) 6 Brookfield Property Preferred Limited Partnership (BPYPM) Units
- 3) 2 Brookfield Asset Management Ltd. (BAM) Class A Limited Voting Shares
- 4) \$1,260.20 Cash
- 5) Cash in lieu of 0.25 fractional BAM share

As of January 19, 2023, the BN Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a BN2 price for use in expiration processing, OCC will use the following formula:

$$\text{BN2} = 0.09 (\text{BN}) + 0.06 (\text{BPYPM}) + 0.0225 (\text{BAM}) + 12.6020$$

For example, if BN closes at 35.62, BPYPM closes at 17.34, and BAM closes at 31.50, the BN2 price would be:

$$\text{BN2} = 0.09 (35.62) + 0.06 (17.34) + 0.0225 (31.50) + 12.6020 = 17.56$$

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@theoocc.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@theoocc.com.