



**THE FOUNDATION
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#52268

Date: April 17, 2023

Subject: Yamana Gold Inc. – Cash In Lieu Settlement
Adjusted Option Symbol: PAAS1/2PAAS1

Yamana Gold Inc. options were adjusted on April 3, 2023 (See OCC Information Memo #52207). The new deliverable became 1) 15 Pan American Silver Corporation (PAAS) Common Shares, 2) Cash in lieu of 0.98 fractional PAAS Common Shares, 3) 3 Agnico Eagle Mines Limited (AEM) Common Shares, 4) Cash in lieu of 0.76 fractional AEM Common Shares, and 5) \$104.06 Cash. Only settlement of the cash portion of PAAS1/2PAAS1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$17.42 per whole PAAS share and a price of \$55.29 per whole AEM share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$(0.98 \times \$17.42) + (0.76 \times \$55.29) = \$59.09 \text{ per PAAS1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of April 3, 2023 through April 17, 2023, 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 PAAS1 options are as follows:

New Deliverable

Per Contract:

- 1) 15 Pan American Silver Corporation (PAAS) Common Shares
- 2) 3 Agnico Eagle Mines Limited (AEM) Common Shares
- 3) \$163.15 Cash (\$104.06 + 59.09)

Strike Prices: Unchanged

CUSIP: PAAS: 697900108
AEM: 008474108

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

Settlement

The PAAS and AEM components of PAAS1/2PAAS1 exercise/assignment activity from April 3, 2023 through April 14, 2023, have settled through National Security Clearing Corporation (NSCC). The \$163.15 cash amount will be settled by OCC.

Pricing

The underlying price for PAAS1/2PAAS1 will be determined as follows:

$$\text{PAAS1} = 0.15 (\text{PAAS}) + 0.03 (\text{AEM}) + 1.6315$$

For example, if PAAS closes at 18.73 and AEM closes at 58.36, the PAAS1/2PAAS1 price would be calculated as follows:

$$\text{PAAS1} = 0.15 (18.73) + 0.03 (58.36) + 1.6315 = 6.19$$

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, 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.