



**THE FOUNDATION
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#53315

Date: October 04, 2023

Subject: Novartis AG – Distribution
Option Symbols: NVS/2NVS
New Symbols: NVS1/2NVS1
Date: 10/04/2023
*** Update ***

Novartis AG (NVS) has announced a distribution of (New) Sandoz Group AG (“SpinCo”) American Depositary Shares. The distribution ratio is 0.2 of a SpinCo share for each NVS share held. The record date is September 25, 2023; the payable date is October 3, 2023. The NYSE has set October 4, 2023, as the ex-distribution date for this distribution.

Sandoz Group AG American Depositary Shares began trading on an over-the-counter market under the trading symbol SDZNY on October 4, 2023.

Contract Adjustment

Effective Date: October 4, 2023

Option Symbols: NVS changes to NVS1
2NVS changes to 2NVS1

Strike Prices: No Change

Number of Contracts: No Change

Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 103 yields \$10,300.00)

New Deliverable Per Contract:
1) 100 Novartis AG (NVS) American Depositary Shares
2) 20 (New) Sandoz Group AG (**SDZNY**) American Depositary Shares (**no longer subject to delayed settlement**)

Settlement Allocation: NVS: 95%
SDZNY: 5%

CUSIPs: NVS: 66987V109
SDZNY: 799926100

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

Pricing

The underlying price for NVS1/2NVS1 will be determined as follows:

$$\text{NVS1} = \text{NVS} + 0.2 (\text{SDZNY})$$

Disclaimer

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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.