



**THE FOUNDATION  
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**#53328**

**Date:** October 06, 2023

**Subject:** DHR1 Options - Expiration Pricing Consideration

DHR1 (adjusted Danaher Corporation options) will be subject to special pricing consideration in expiration processing on October 6, 2023. The pricing consideration is due to the undetermined cash in lieu amount included in the option deliverable of DHR1 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.

### **DHR1**

DHR1 options are adjusted Danaher Corporation options, adjusted October 2, 2023 (see OCC Information Memo #53275). The deliverable of DHR1 options is:

#### **NEW DELIVERABLE**

**PER CONTRACT:**

- 1) 100 Danaher Corporation (DHR) Common Shares
- 2) 33 Veralto Corporation (VLTO) Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional VLTO Common Shares

As of October 6, 2023, the DHR Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a DHR1 price for use in expiration processing, OCC will use the following formula:

$$\text{DHR1} = \text{DHR} + 0.333333 (\text{VLTO})$$

For example, if DHR closes at 216.87 and VLTO closes at 74.45, the DHR1 price would be:

$$\text{DHR1} = 216.87 + 0.333333 (74.45) = 241.69$$

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](mailto: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@theooc.com](mailto:memberservices@theooc.com).