



**Date:** January 31, 2024

**Subject:** Adjusted W. P. Carey Inc. - Determination of Deliverable/Cash in Lieu Settlement  
Adjusted Option Symbol: WPC1  
\*\*\* CORRECTION \*\*\*

Adjusted W. P. Carey Inc. options were adjusted on November 2, 2023 and December 15, 2023 (See OCC Information Memos #53560 and #53714). The new deliverable became 1) 100 W. P. Carey Inc. (WPC) Common Shares, 2) 6 Net Lease Office Properties (NLOP) Common Shares, 3) \$7.29 Cash, and 4) Approximately \$2.04 in value of NLOP shares (\$0.34 dividend value x 6), with cash paid in lieu of fractional NLOP shares, if any. Settlement of the NLOP and cash components of WPC1 options exercise/assignment activity were subject to delayed settlement.

OCC has been informed that the final distribution ratio is 0.0142737196 NLOP shares per NLOP share held. Accordingly, the deliverable for WPC1 options will include cash in lieu of 0.085642 (0.0142737196 x 6) fractional NLOP shares.

OCC has been informed that a price of \$23.82002 per whole NLOP Share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.085642 \times \$23.82002 = \$2.04 \text{ per WPC1 Contract}$$

Now that the distribution ratio and cash in lieu amount have been determined, OCC will require Put exercisers and Call assignees, during the period of December 15, 2023 through January 31, 2024, to deliver the appropriate number of NLOP shares and cash amount.

Terms of the WPC1 options are as follows:

**New Deliverable  
Per Contract:**

- 1) 100 W. P. Carey Inc. (WPC) Common Shares
- 2) 6 Net Lease Office Properties (NLOP) Common Shares
- 3) \$9.33 Cash (\$7.29 + \$2.04)

Note: Once determined the cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

**Strike Prices:** Unchanged

**CUSIPs:** WPC: 92936U109  
NLOP: 64110Y108

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

### **Settlement**

The WPC component of WPC1 exercise/assignment activity has settled through National Security Clearing Corporation (NSCC). The NLOP component of WPC1 exercise/assignment activity, which was delayed from December 15, 2023 through January 30, 2024, will settle through NSCC. The \$9.33 cash amount will be settled by OCC.

### **Pricing**

The underlying price for WPC1 options will be determined as follows:

$$\text{WPC1} = \text{WPC} + 0.06 (\text{NLOP}) + 0.0933$$

For example, if WPC closes at 62.35 and NLOP closes at 25.27, the WPC1 prices would be calculated as follows:

$$\text{WPC1} = 62.35 + 0.06 (25.27) + 0.0933 = 63.96$$

### **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](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@theocc.com](mailto:memberservices@theocc.com).