



**THE FOUNDATION
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MARKETS®**

#54541

Date: May 03, 2024

Subject: Pioneer Natural Resources Company - Contract Adjustment
Option Symbols: 05/03/2024 - PXD/2PXD remains PXD/2PXD
05/06/2024 - PXD/2PXD becomes XOM2/2XOM2
Date: 05/03/2024
* * * Update * * *

Contract Adjustment

Date: May 3, 2024

Option Symbols: 05/03/2024 - PXD remains PXD (with adjusted deliverable described below)
05/03/2024 - 2PXD remains 2PXD (with adjusted deliverable described below)
05/06/2024 - PXD changes to XOM2
05/06/2024 - 2PXD changes to 2XOM2

Strike Divisor: 1

**Contracts
Multiplier:** 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 230 yields \$23,000.00)

**New Deliverable
Per Contract:** 1) 232 Exxon Mobil Corporation (XOM) Common Shares
2) Cash in lieu of 0.34 fractional XOM Common Shares

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.

CUSIP: XOM: 30231G102

Pricing

Until the cash in lieu amount is determined, the underlying price for XOM2/2XOM2 will be determined as follows:

$$\text{XOM2} = 2.3234 (\text{XOM})$$

Delayed Settlement

The XOM component of the XOM2/2XOM2 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the XOM2/2XOM2 deliverable until the cash in lieu of fractional XOM shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Background

On February 7, 2024, Shareholders of Pioneer Natural Resources Company (PXD) voted concerning the proposed merger with Exxon Mobil Corporation (XOM). The merger was approved and subsequently consummated before the open on May 3, 2024. As a result, each existing PXD Common Share will be converted into the right to receive 2.3234 XOM Common Shares. Cash will be paid in lieu of fractional XOM shares.

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.