



**THE FOUNDATION
FOR SECURE
MARKETS®**

#54574

Date: May 10, 2024

Subject: Pioneer Natural Resources Company - Cash In Lieu Settlement
Adjusted Option Symbols: XOM2/2XOM2

Pioneer Natural Resources Company options were adjusted on May 3, 2024 (See OCC Information Memo #54541). The new deliverable became 1) 232 Exxon Mobil Corporation (XOM) Common Shares, and 2) Cash in lieu of 0.34 fractional XOM Common Shares. Only settlement of the cash portion of XOM2/2XOM2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$116.5789 per whole XOM share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.34 \times \$116.5789 = \$39.64 \text{ per XOM2/2XOM2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of May 3, 2024 through May 10, 2024, 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 XOM2/2XOM2 options are as follows:

New Deliverable

Per Contract: 1) 232 Exxon Mobil Corporation (XOM) Common Shares
2) \$39.64 Cash

Strike Prices: Unchanged

CUSIP: XOM: 30231G102

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

Settlement

The XOM component of XOM2/2XOM2 exercise/assignment activity from May 3, 2024 through May 9, 2024, has settled through National Security Clearing Corporation (NSCC). The \$39.64 cash amount will be settled by OCC.

Pricing

The underlying price for XOM2/2XOM2 will be determined as follows:

$$XOM2 = 2.32 (XOM) + 0.3964$$

For example, if XOM closes at 118.44, the XOM2/2XOM2 price would be calculated as follows:

$$XOM2 = 2.32 (118.44) + 0.3964 = 275.18$$

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.