



**THE FOUNDATION
FOR SECURE
MARKETS®**

#54837

Date: July 05, 2024

Subject: Adjusted Illumina, Inc. – Cash In Lieu Settlement
Adjusted Option Symbol: ILMN1

Illumina, Inc. options were adjusted on June 25, 2024 (See OCC Information Memo #54734). The new deliverable became 1) 100 Illumina, Inc. (ILMN) Common Shares, 2) 16 GRAIL, Inc. (GRAL) Common Shares, and 3) Cash in lieu of approximately 0.6667 fractional GRAL shares. Only settlement of the cash portion of ILMN1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$16.35 per whole GRAL share will be used to determine the cash in lieu amount at a rate of 0.6667. Accordingly, the cash in lieu amount is:

$$0.6667 \times \$16.35 = \$10.90 \text{ per ILMN1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of June 25, 2024 through July 05, 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 ILMN1 options are as follows:

New Deliverable

Per Contract:

- 1) 100 Illumina, Inc. (ILMN) Common Shares
- 2) 16 GRAIL, Inc. (GRAL) Common Shares
- 3) \$10.90 Cash

Strike Prices: Unchanged

CUSIPs: ILMN: 452327109
GRAL: 384747101

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

Settlement

The ILMN and GRAL components of ILMN1 exercise/assignment activity from June 25, 2024 through July 3, 2024, have settled through National Security Clearing Corporation (NSCC). The \$10.90 cash amount will be settled by OCC.

Pricing

The underlying price for ILMN1 will be determined as follows:

$$\text{ILMN1} = \text{ILMN} + 0.16 (\text{GRAL}) + 0.1090$$

For example, if ILMN closes at 105.28 and GRAL closes at 15.49, the ILMN1 price would be calculated as follows:

$$\text{ILMN1} = 105.28 + 0.16 (15.49) + 0.1090 = 107.87$$

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.