



**THE FOUNDATION
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MARKETS®**

#56090

Date: February 21, 2025

Subject: Western Digital Corporation - Distribution
Option Symbols: WDC/1WDC/2WDC
New Symbols: WDC1/1WDC1/2WDC1
Date: 02/24/2025
*** Update ***

Contract Adjustment

Effective Date: February 24, 2025

Option Symbols: WDC changes to WDC1
1WDC changes to 1WDC1
2WDC changes to 2WDC1

Strike Prices: No Change

Number of Contracts: No Change

Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 65 yields \$6,500.00)

New Deliverable Per Contract:

- 1) 100 Western Digital Corporation (WDC) Common Shares
- 2) 33 (New) Sandisk Corporation (SNDK) Common Shares
- 3) Cash in lieu of 0.333 fractional SNDK Common Shares

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

Settlement Allocation: WDC: 75%
SNDK: 25%

CUSIPs: WDC: 958102105
SNDK: 80004C200

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY

CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

Pricing

Until the cash in lieu amount is determined, the underlying price for WDC1/1WDC1/2WDC1 will be determined as follows:

$$\text{WDC1} = \text{WDC} + 0.33333 \text{ (SNDK)}$$

Delayed Settlement

The WDC and SNDK components of the WDC1/1WDC1/2WDC1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the WDC1/1WDC1/2WDC1 deliverable until the cash in lieu of fractional SNDK Common 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

Western Digital Corporation (WDC) has announced a distribution of (New) Sandisk Corporation (SNDK) Common Shares. The distribution ratio is 0.33333 of an SNDK share for each WDC share held. The record date is February 12, 2025; the payable date is February 21, 2025. **NASDAQ has set February 24, 2025 as the ex-distribution date.**

Sandisk Corporation Common Shares began trading on a when issued basis on NASDAQ under the trading symbol "SNDKV" on February 13, 2025.

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.