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#56169

**Date:** March 07, 2025

**Subject:** WDC1 Options - Expiration Pricing Consideration

WDC1 (adjusted Western Digital Corporation options) will be subject to special pricing consideration in expiration processing on March 7, 2025. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of WDC1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

### WDC1

WDC1 options are adjusted Western Digital Corporation options, adjusted February 24, 2025 (see OCC Information Memo #56090). The deliverable of WDC1 options is:

#### NEW DELIVERABLE

PER CONTRACT:

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

As of March 7, 2025, the WDC Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a WDC1 price for use in expiration processing, OCC will use the following formula:

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

For example, if WDC closes at 41.45 and SNDK closes at 46.50, the WDC1 price would be:

$$\text{WDC1} = 41.45 + 0.33333 (46.50) = 56.95$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the spinoff.

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@theooc.com](mailto:memberservices@theooc.com).