



Date: September 28, 2022

Subject: ABB Ltd. – Distribution
Option Symbols: ABB/2ABB
New Symbols: ABB1/2ABB1
Date: 10/03/2022
*** Update ***

ABB Ltd. (ABB) has announced a distribution of (New) Accelleron Industries Ltd. (“SpinCo”) American Depositary Shares. The distribution ratio is 0.05 of a SpinCo American Depositary Share for each ABB ADS held. The record date is October 4, 2022; the payable date is October 11, 2022. The NYSE has set October 3, 2022, as the ex-distribution date for this distribution.

Note: The ordinary shares which underlie the SpinCo ADSs are expected to be listed on the SIX Swiss Exchange and not on any U.S. exchange. The SpinCo ADSs are newly created unsponsored ADSs. It is uncertain at this time if SpinCo ADSs will be listed for trading on a U.S. exchange. If a market on a U.S. exchange does not develop for the SpinCo ADSs, a USD cash equivalent for the SpinCo ADSs will be determined and included in the ABB1/2ABB1 option deliverable.

Contract Adjustment

Effective Date: October 3, 2022

Option Symbols: ABB changes to ABB1
2ABB changes to 2ABB1

Strike Prices: No Change

Number of Contracts: No Change

Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 30.00 yields \$3,000)

New Deliverable Per Contract:

- 1) 100 ABB Ltd. (ABB) American Depositary Shares (**subject to delayed settlement until the final deliverable is determined**)
- 2) 5 (New) Accelleron Industries Ltd. (“SpinCo”) American Depositary Shares (subject to delayed settlement until trading status can be determined)

Note: If a market on a US National Securities Exchange does not develop for

the SpinCo ADSs, a USD cash equivalent for the SpinCo ADSs will be determined and included in the ABB1/2ABB1 option deliverable.

Settlement

Allocation: ABB: 95%
SpinCo ADS: 5%

CUSIPs: ABB: 000375204
(New) SpinCo ADS: TBD

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 trading status of the SpinCo ADSs can be determined, the underlying price for ABB1/2ABB1 will be determined as follows:

$$\text{ABB1} = \text{ABB} + 0.05 (\text{SpinCo})$$

Delayed Settlement

OCC will delay settlement of the ABB and SpinCo ADS components of the ABB1/2ABB1 deliverable until the final deliverable is determined. Upon determination of the final deliverable, OCC will require Put exercisers and Call assignees to deliver the appropriate number of ABB shares and SpinCo ADS, if any.

Possible Settlement Procedures

OCC anticipates that if an OTC market develops for SpinCo ADSs, NSCC will accept transactions in the SpinCo ADSs which arise as a result of option exercise and assignment activity. In that event, ABB1/2ABB1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the SpinCo ADSs, OCC anticipates requiring broker to broker settlement for ABB1/2ABB1 options after the final distributions are determined.

If Clearing Members are unable to effect settlement of exercise/assignment activity on a broker-to-broker basis, pursuant to customary OCC broker to broker settlement procedures, OCC shall designate a new exercise settlement date and determine a cash value for the ABB shareholder entitlement to the SpinCo ADS distribution. Such determination is for the sole purpose of facilitating options exercises and assignments.

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.