



#35299

DATE: SEPTEMBER 23, 2014

SUBJECT: AUTOMATIC DATA PROCESSING, INC. - DISTRIBUTION
OPTION SYMBOLS: ADP/2ADP
NEW SYMBOLS: ADP1/2ADP1
FUTURES SYMBOLS: ADP1C/ADP1D
NEW SYMBOLS: ADP2C/ADP2D
DATE: 10/1/14

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: October 1, 2014

OPTION SYMBOLS: ADP changes to ADP1
2ADP changes to 2ADP1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 85 yields \$8,500)

NEW DELIVERABLE PER CONTRACT

- 1) 100 Automatic Data Processing, Inc. (ADP) Common Shares
- 2) 33 CDK Global, Inc. (CDK) Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional CDK Shares

SETTLEMENT ALLOCATION: ADP: 85%
CDK: 15%

CUSIPS: ADP: 053015103
CDK: 12508E101

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 ADP1/2ADP1 will be determined as follows:

$$\text{ADP1} = \text{ADP} + 0.333333 \text{ (CDK)}$$

DELAYED SETTLEMENT

The ADP and CDK components of the ADP1/2ADP1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the ADP1/2ADP1 deliverable until the cash in lieu of fractional CDK 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.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE:	October 1, 2014
FUTURES SYMBOLS:	ADP1C changes to ADP2C ADP1D changes to ADP2D
SETTLEMENT PRICES:	No Change
NUMBER OF CONTRACTS:	No Change
MULTIPLIER:	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT	1) 100 Automatic Data Processing, Inc. (ADP) Common Shares 2) 33 CDK Global, Inc. (CDK) Common Shares 3) Cash in lieu of approximately 0.33333 fractional CDK Shares
SETTLEMENT ALLOCATION:	ADP: 85% CDK: 15%
CUSIPS:	ADP: 053015103 CDK: 12508E101

THE SETTLEMENT ALLOCATION 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 the ADP2C/ADP2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{ADP2C} = \text{ADP} + 0.333333 \text{ (CDK)}$$

Please note that the valuation would apply only to the ADP2C/ADP2D deliverables in terms of current market value of the deliverable securities. The resulting price would not be equivalent to the daily settlement price of a futures contract month, whose determination would include cost of money carrying charges, adjustment for dividends, and other factors.

DELAYED SETTLEMENT

The ADP and CDK components of the ADP2C/ADP2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the ADP2C/ADP2D deliverable until the cash in lieu of fractional CDK Shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

BACKGROUND

Automatic Data Processing, Inc. (ADP) has announced a distribution of CDK Global, Inc. (CDK) Common Shares. The distribution ratio is approximately 0.333333 CDK Global, Inc. shares for each ADP share held. The record date is September 24, 2014; the payable date is September 30, 2014. The NASDAQ Stock Market has set October 1, 2014, as the ex-distribution date for this distribution.

CDK Global, Inc. shares began trading on a when issued basis on September 22, 2014 under the trading symbol CDKVV.

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 a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. 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.

CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.

CATEGORY: CONTRACT ADJUSTMENT