



#37069

DATE: JULY 8, 2015

SUBJECT: EBAY INC. - DISTRIBUTION
OPTION SYMBOLS: EBAY/2EBAY
NEW SYMBOLS: EBAY1/2EBAY1
FUTURES SYMBOLS: EBAY1C/EBAY1D
NEW SYMBOLS: EBAY2C/EBAY2D
DATE: 7/20/15

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: July 20, 2015

OPTION SYMBOLS: EBAY changes to EBAY1
2EBAY changes to 2EBAY1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 62 yields \$6,200)

NEW DELIVERABLE PER CONTRACT

- 1) 100 eBay Inc. (EBAY) Common Shares
- 2) 100 (New) PayPal Holdings, Inc. (PYPL) Common Shares

SETTLEMENT ALLOCATION: EBAY: 45%
PYPL: 55%

CUSIPS: EBAY: 278642103
PYPL: 70450Y103

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

The underlying price for EBAY1/2EBAY1 will be determined as follows:

$$EBAY1 = EBAY + PYPL$$

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: July 20, 2015

FUTURES SYMBOLS: EBAY1C changes to EBAY2C
EBAY1D changes to EBAY2D

Note: Weekly eBay Inc. (EBAY) futures active at the time of the contract adjustment will be adjusted in a similar manner to that of EBAY1C and EBAY1D futures.

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 eBay Inc. (EBAY) Common Shares
2) 100 (New) PayPal Holdings, Inc. (PYPL) Common Shares

SETTLEMENT ALLOCATION: EBAY: 45%
PYPL: 55%

CUSIPS: EBAY: 278642103
PYPL: 70450Y103

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

The underlying price for the EBAY2C/EBAY2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{EBAY2D} = \text{EBAY} + \text{PYPL}$$

Please note that the valuation would apply only to the EBAY2C/EBAY2D 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.

BACKGROUND

eBay Inc. (EBAY) has announced a distribution of (New) PayPal Holdings, Inc. (PYPL) Common Shares. The distribution ratio is one (1.0) PYPL share for each EBAY share held. The record date is July 8, 2015; the payable date is July 17, 2015. The NASDAQ Stock Market has set July 20, 2015, as the ex-distribution date for this distribution

PayPal Holdings, Inc. Common Shares began trading on a when issued basis on July 6, 2015 on the NASDAQ Stock Market under the trading symbol "PYPLV".

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.

ALL 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@theooc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theooc.com.