



#38937

DATE: MAY 12, 2016

SUBJECT: STARWOOD HOTELS & RESORTS WORLDWIDE, INC. –
DISTRIBUTION
OPTION SYMBOL: HOT
NEW SYMBOL: HOT1
FUTURES SYMBOL: HOT1D
NEW SYMBOL: HOT2D
DATE: 5/13/16
UPDATE

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: May 13, 2016

OPTION SYMBOL: HOT changes to HOT1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 82.50 yields \$8,250)

NEW DELIVERABLE PER CONTRACT

- 1) 100 Starwood Hotels & Resorts Worldwide, Inc. (HOT) Common Shares
- 2) Approximately **43** Interval Leisure Group, Inc. (IILG) Common Shares
- 3) Cash in lieu of approximately **0.09** fractional IILG shares

SETTLEMENT ALLOCATION: HOT: 95%
IILG: 5%

CUSIPS: HOT: 85590A401
IILG: 46113M108

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 final distribution ratio and cash in lieu amount are determined, the underlying price for HOT1 will be determined as follows:

$$\text{HOT1} = \text{HOT} + 0.4309 (\text{IILG})$$

DELAYED SETTLEMENT

The HOT component of the HOT1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the IILG and cash components of the HOT1 deliverable until the final distribution ratio and cash in lieu amount are determined. Upon determination of the distribution ratio and cash in lieu, OCC will require Put exercisers and Call assignees to deliver the appropriate stock and cash amounts.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE:	May 13, 2016
FUTURES SYMBOL:	HOT1D changes to HOT2D
SETTLEMENT PRICES:	No Change
NUMBER OF CONTRACTS:	No Change
MULTIPLIER:	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT	<ol style="list-style-type: none">1) 100 Starwood Hotels & Resorts Worldwide, Inc. (HOT) Common Shares2) Approximately 43 Interval Leisure Group, Inc. (IILG) Common Shares3) Cash in lieu of approximately 0.09 fractional IILG shares
SETTLEMENT ALLOCATION:	HOT: 95% IILG: 5%
CUSIPS:	HOT: 85590A401 IILG: 46113M108

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 final distribution ratio and cash in lieu amount are determined, the underlying price for the HOT2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{HOT2D} = \text{HOT} + 0.4309 (\text{IILG})$$

Please note that the valuation would apply only to the HOT2D deliverable 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 HOT component of the HOT2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the IILG and cash components of the HOT2D deliverable until the final distribution ratio is determined. Upon determination of the distribution ratio and cash in lieu amount, OCC will require delivery of the appropriate stock and cash amounts.

BACKGROUND

Starwood Hotels & Resorts Worldwide, Inc. (HOT) has announced a distribution of Vistana Signature Experiences, Inc. Common Shares. The distribution ratio is one (1.0) Vistana share for each HOT share held. Immediately following the Vistana distribution, Vistana Signature Experiences, Inc. will merge with Interval Leisure Group, Inc. (IILG), and each Vistana Signature Experiences, Inc. share will be automatically exchanged for approximately **0.4309** IILG Common Shares. The record date is March 28, 2016; **the payable date is May 12, 2016**. The New York Stock Exchange (NYSE) has set May 13, 2016 as the ex-distribution date for this distribution.

Interval Leisure Group, Inc. Common Shares trade on the NASDAQ Stock Market under the trading symbol "IILG".

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@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.