



**Date:** October 27, 2021

**Subject:** International Business Machines Corporation – Distribution  
Option Symbols: IBM/2IBM  
New Symbols: IBM1/2IBM1  
Date: 11/04/2021  
\*\*\* Update \*\*\*

**Contract Adjustment**

**Effective Date:** November 4, 2021

**Option Symbols:** IBM changes to IBM1  
2IBM changes to 2IBM1

**Strike Prices:** No Change

**Number of Contracts:** No Change

**Multiplier:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 144.00 yields \$14,400.00)

**New Deliverable Per Contract:** 1) 100 International Business Machines Corporation (IBM) Common Shares  
2) 20 (New) Kyndryl Holdings, Inc. (KD) Common Shares

**Settlement Allocation:** IBM: 95%  
KD: 5%

**CUSIPs:** IBM: 459200101  
KD: 50155Q100

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 IBM1/2IBM1 will be determined as follows:

$$\text{IBM1} = \text{IBM} + 0.20 \text{ (KD)}$$

## **Background**

International Business Machines Corporation (IBM) has announced a distribution of (New) Kyndryl Holdings, Inc. (KD) Common Shares. The distribution ratio is 0.20 of a KD share for each IBM share held. The record date is October 25, 2021; the payable date is November 3, 2021. The NYSE has set November 4, 2021, as the ex-distribution date for this distribution.

Kyndryl Holdings, Inc. Common Shares began trading on a when issued basis on October 22, 2021 on the NYSE under the trading symbol "KD WI".

## **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, call Investor Services at 1-888-678-4667 or email [investorservices@theocc.com](mailto: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](mailto:memberservices@theocc.com).