



#39046

DATE: MAY 31, 2016

SUBJECT: IDT CORPORATION - DISTRIBUTION
OPTION SYMBOL: IDT
NEW SYMBOL: IDT1
DATE: 6/2/16

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: June 2, 2016

OPTION SYMBOL: IDT changes to IDT1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 15 yields \$1,500)

NEW DELIVERABLE PER CONTRACT

- 1) 100 IDT Corporation (IDT) Class B Common Shares
- 2) 33 (New) Zedge, Inc. (ZDGE) Class B Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional ZDGE shares

SETTLEMENT ALLOCATION:

IDT: 85%

ZDGE: 15%

CUSIPS:

IDT: 448947507

ZDGE: 98923T104

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 IDT1 will be determined as follows:

$$\text{IDT1} = \text{IDT} + 0.333333 (\text{ZDGE})$$

DELAYED SETTLEMENT

The IDT and ZDGE components of the IDT1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash component of the IDT1 deliverable until the cash in lieu amount is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

BACKGROUND

IDT Corporation (IDT) has announced a distribution of (New) Zedge, Inc. (ZDGE) Class B Common Shares. The distribution ratio is approximately 0.333333 of a ZDGE Class B Common Share for each IDT Class B Common Share held. The record date is May 26, 2016; the payable date is June 1, 2016. The New York Stock Exchange (NYSE) has set June 2, 2016 as the ex-distribution date for this distribution.

Zedge, Inc. Class B Common Shares began trading on a when issued basis on May 26, 2016, on the NYSE under the trading symbol "ZDGE 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 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.