



**THE FOUNDATION  
FOR SECURE  
MARKETS**

#49282

**Date:** September 20, 2021

**Subject:** International Paper Company – Distribution  
Option Symbols: IP/2IP  
New Symbols: IP1/2IP1  
Date: 10/01/2021

**Contract Adjustment**

**Effective Date:** October 1, 2021

**Option Symbols:** IP changes to IP1  
2IP changes to 2IP1

**Strike Prices:** No Change

**Number of Contracts:** No Change

**Multiplier:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 50.00 yields \$5,000.00)

**New Deliverable Per Contract:**

- 1) 100 International Paper Company (IP) Common Shares
- 2) 9 (New) Sylvamo Corporation (SLVM) Common Shares
- 3) Cash in lieu of approximately 0.0909 fractional SLVM Common Shares

Note: Once determined, the cash in lieu of fractional share portion of the option deliverable will remain fixed and will not vary with price changes of any security.

**Settlement Allocation:** IP: TBD  
SLVM: TBD

**CUSIPs:** IP: 460146103  
SLVM: 871332102

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 IP1/2IP1 will be determined as follows:

$$IP1 = IP + 0.090909 \text{ (SLVM)}$$

## **Delayed Settlement**

The IP and SLVM components of the IP1/2IP1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the IP1/2IP1 deliverable until the cash in lieu of fractional SLVM Common 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.

## **Background**

International Paper Company (IP) has announced a distribution of (New) Sylvamo Corporation (SLVM) Common Shares. The distribution ratio is approximately 0.090909 of a SLVM share for each IP share held. The record date is September 15, 2021; the payable date is October 1, 2021. The NYSE has set October 1, 2021, as the ex-distribution date for this distribution.

Sylvamo Corporation Common Shares began trading on a when issued basis on September 14, 2021 on the NYSE under the trading symbol "SLVM 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).