



#36919

DATE: JUNE 17, 2015

SUBJECT: MASCO CORPORATION - DISTRIBUTION
OPTION SYMBOL: MAS
NEW SYMBOL: MAS1
FUTURES SYMBOLS: MAS1C/MAS1D
NEW SYMBOLS: MAS2C/MAS2D
DATE: 7/1/15
UPDATE

CONTRACT ADJUSTMENT - OPTIONS

EFFECTIVE DATE: July 1, 2015

OPTION SYMBOL: MAS changes to MAS1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 27 yields \$2,700)

NEW DELIVERABLE PER CONTRACT

- 1) 100 Masco Corporation (MAS) Common Shares
- 2) 11 (New) TopBuild Corporation (BLD) Common Shares
- 3) Cash in lieu of approximately 0.1111 fractional BLD shares

SETTLEMENT ALLOCATION: MAS: 90%
BLD: 10%

CUSIPS: MAS: 574599106
BLD: 89055F103

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 MAS1 will be determined as follows:

$$\text{MAS1} = \text{MAS} + 0.111111 (\text{BLD})$$

DELAYED SETTLEMENT

The MAS and BLD components of the MAS1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash component of the MAS1 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.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: July 1, 2015

FUTURES SYMBOLS: MAS1C changes to MAS2C
MAS1D changes to MAS2D

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 Masco Corporation (MAS) Common Shares
- 2) 11 (New) TopBuild Corporation (BLD) Common Shares
- 3) Cash in lieu of approximately 0.1111 fractional BLD shares

SETTLEMENT ALLOCATION:

MAS: 90%
BLD: 10%

CUSIPS: MAS: 574599106
BLD: 89055F103

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 cash in lieu amount is determined, the underlying price for the MAS2C/MAS2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{MAS2D} = \text{MAS} + 0.111111 \text{ (BLD)}$$

Please note that the valuation would apply only to the MAS2C/MAS2D 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.

DELAYED SETTLEMENT

The MAS and BLD components of the MAS2C/MAS2D deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash component of the MAS2C/MAS2D deliverables until the cash in lieu amount is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

BACKGROUND

Masco Corporation (MAS) has announced a distribution of (New) TopBuild Corporation (BLD) Common Shares. The distribution ratio is approximately 0.111111 of a BLD share for each MAS share held. The record date is June 19, 2015; the mail date is June 30, 2015. The New York Stock Exchange (NYSE) has set July 1, 2015, as the ex-distribution date for this distribution

TopBuild Corporation Common Shares began trading on a when issued basis on June 17, 2015 on the New York Stock Exchange under the trading symbol “BLD 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.