



**THE FOUNDATION
FOR SECURE
MARKETS**

#46806

DATE: APRIL 14, 2020

**SUBJECT: THE MADISON SQUARE GARDEN COMPANY – DISTRIBUTION/
NAME/SYMBOL CHANGE
OPTION SYMBOL: MSG
NEW SYMBOL: MSGS1
FUTURES SYMBOL: MSG1D
NEW SYMBOL: MSGS2D
DATE: 4/20/20**

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: April 20, 2020

OPTION SYMBOL: MSG changes to MSGS1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 230 yields \$23,000)

NEW DELIVERABLE PER CONTRACT

- 1) 100 (New) Madison Square Garden Sports Corporation (MSGS) Class A Common Shares
- 2) 100 (New) Madison Square Garden Entertainment Corporation (MSGE) Class A Common Shares

SETTLEMENT ALLOCATION: MSGS: 75%
MSGE: 25%

CUSIPS: MSGS: 55825T103
MSGE: 55826T102

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 MSGS1 will be determined as follows:

MSGS1 = MSGS + MSGE

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: April 20, 2020

FUTURES SYMBOL: MSG1D changes to MSGS2D

Note: All active The Madison Square Garden Company (MSG) futures will be adjusted in a manner similar to that of MSG1D futures.

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 (New) Madison Square Garden Sports Corporation (MSGS) Class A Common Shares
- 2) 100 (New) Madison Square Garden Entertainment Corporation (MSGE) Class A Common Shares

SETTLEMENT ALLOCATION: MSGS: 75%
MSGE: 25%

CUSIPS: MSGS: 55825T103
MSGE: 55826T102

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

The underlying price for the MSGS2D Futures contract deliverable, expressed in term of current market value, would be calculated as follows:

$$\text{MSGS2D} = \text{MSGS} + \text{MSGE}$$

Please note that the valuation would apply only to the MSGS2D 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.

BACKGROUND

The Madison Square Garden Company (MSG) has announced a distribution of (New) Madison Square Garden Entertainment Corporation (MSGE) Common Shares, in order to spin-off of its entertainment

businesses from its sports businesses. The distribution ratio is one MSGE share for each MSG share held. The record date is April 13, 2020; the payable date is April 17, 2020. The NYSE has set April 20, 2020, as the ex-distribution date for this distribution.

Immediately following the distribution, The Madison Square Garden Company (MSG) will change its name and trading symbol to Madison Square Garden Sports Corporation (MSGS).

(New) Madison Square Garden Sports Corporation Class A Common Shares and (New) Madison Square Garden Entertainment Corporation Class A Common Shares began trading on a when issued basis on April 9, 2020, on the NYSE under the trading symbols "MSGS WI" and "MSGE WI", respectively.

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. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.