



DATE: NOVEMBER 10, 2020

SUBJECT: PFIZER INC. – DISTRIBUTION
OPTION SYMBOLS: PFE/1PFE/2PFE
NEW SYMBOLS: PFE1/1PFE1/2PFE1
DATE: 11/17/20

CONTRACT ADJUSTMENT

EFFECTIVE DATE: November 17, 2020

OPTION SYMBOLS: PFE changes to PFE1
1PFE changes to 1PFE1
2PFE changes to 2PFE1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 38 yields \$3,800)

NEW DELIVERABLE PER CONTRACT

- 1) 100 Pfizer Inc. (PFE) Common Shares
- 2) Approximately 12 (New) Viatris Inc. (VTRS) Common Shares
- 3) Cash in lieu of approximately 0.47 fractional VTRS Common Shares

SETTLEMENT ALLOCATION: PFE: TBD
VTRS: TBD

CUSIPS: PFE: 717081103
VTRS: 92556V106

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 final distribution ratio and the cash in lieu of fractional share amount are determined, the underlying price for PFE1/1PFE1/2PFE1 will be determined as follows:

$$\text{PFE1} = \text{PFE} + 0.1247 (\text{VTRS})$$

DELAYED SETTLEMENT

The PFE component of the PFE1/1PFE1/2PFE1 deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the VTRS component and the cash portion of the PFE1/1PFE1/2PFE1 deliverables until the final distribution ratio and the cash in lieu of fractional VTRS shares are determined. Upon determination of the final distribution ratio and the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

BACKGROUND

Pfizer Inc. (PFE) has announced a spinoff distribution of its subsidiary Upjohn Inc. (“Newco”). Immediately following the spinoff, Newco will merge into Mylan N.V. (MYL), and the combined company will be renamed Viatrix Inc. (VTRS). The distribution ratio is approximately 0.1247 of a VTRS share for each PFE share held. The record date is November 13, 2020; the payable date is November 16, 2020. The NYSE has set November 17, 2020, as the ex-distribution date for this distribution.

Viatrix Inc. Common Shares will begin trading on a when issued basis on November 12, 2020 on the Nasdaq Stock Market under the trading symbol “VTRSV”.

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.