



#38264

DATE: JANUARY 15, 2016

SUBJECT: **PMC-SIERRA, INC. - CONTRACT ADJUSTMENT**
OPTION SYMBOL: 1/15/16 – PMCS remains PMCS
1/19/16 – PMCS becomes MSCC1
FUTURES SYMBOLS: 1/15/16 – PMCS1C remains PMCS1C
1/15/16 – PMCS1D remains PMCS1D
1/19/16 – PMCS1C becomes PMCS2C
1/19/16 – PMCS1D becomes PMCS2D

DATE: 1/15/16

On January 14, 2016, Lois Acquisition Corporation, a wholly owned subsidiary of Microsemi Corporation (MSCC), completed its exchange offer for PMC-Sierra, Inc. (PMCS) Common Shares. The subsequent acquisition of PMC-Sierra, Inc. was consummated before the opening of business on January 15, 2016. As a result, each PMCS share will be converted into the right to receive 0.0771 Microsemi Corporation (MSCC) Common Shares plus \$9.22 Cash. Cash will be paid in lieu of fractional MSCC shares.

CONTRACT ADJUSTMENT

DATE: January 15, 2016

OPTION SYMBOL: 1/15/16 – PMCS remains PMCS (with adjusted deliverable described below)
1/19/16 – PMCS becomes MSCC1

STRIKE DIVISOR: 1

CONTRACT MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., for premium or strike price extensions, 1.00 equals \$100)

NEW DELIVERABLE PER CONTRACT:

- 1) 7 Microsemi Corporation (MSCC) Common Shares
- 2) Cash in lieu of 0.71 fractional MSCC shares
- 3) \$922.00 Cash (\$9.22 x 100)

CUSIP: MSCC: 595137100

PRICING

Until the cash in lieu amount is determined, the underlying price for MSCC1 will be determined as follows:

$$\text{MSCC1} = 0.0771 (\text{MSCC}) + 9.22$$

DELAYED SETTLEMENT

The MSCC component of the MSCC1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the MSCC1 deliverable until the cash in lieu of fractional MSCC 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.

Futures Contract Adjustment

DATE: January 15, 2016

FUTURES SYMBOLS: 1/15/16 – PMCS1C remains PMCS1C (with adjusted deliverable described below)
1/15/16 – PMCS1D remains PMCS1D (with adjusted deliverable described below)
1/19/16 – PMCS1C becomes PMCS2C
1/19/16 – PMCS1D becomes PMCS2D

NUMBER OF CONTRACTS: No Change

MULTIPLIER 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT: 1) 7 Microsemi Corporation (MSCC) Common Shares
2) Cash in lieu of 0.71 fractional MSCC shares
3) \$922.00 Cash (\$9.22 x 100)

CUSIP: MSCC: 595137100

PRICING

Until the cash in lieu amount is determined, the underlying price for the PMCS2C/PMCS2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{PMCS2D} = 0.0771 (\text{MSCC}) + 9.22$$

Please note that the valuation would apply only to the PMCS2C/PMCS2D 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.

DELAYED SETTLEMENT

The MSCC component of the PMCS2C/PMCS2D deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the PMCS2C/PMCS2D deliverable until the cash in lieu of fractional MSCC shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

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.