



**THE FOUNDATION
FOR SECURE
MARKETS**

#46633

DATE: MARCH 17, 2020

**SUBJECT: ARCONIC INC. – DISTRIBUTION AND NAME/SYMBOL/
CUSIP CHANGE
OPTION SYMBOL: ARNC
NEW SYMBOL: HWM1
FUTURES SYMBOL: ARNC1D
NEW SYMBOL: HWM2D
DATE: 4/1/20**

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: April 1, 2020

OPTION SYMBOL: ARNC changes to HWM1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 17.50 yields \$ 1,750)

NEW DELIVERABLE PER CONTRACT

1) 100 Howmet Aerospace Inc. (HWM) Common Shares
2) 25 (New) Arconic Corporation (ARNC) Common Shares

SETTLEMENT ALLOCATION:

HWM: TBA
(New) ARNC: TBA

CUSIPS:

HWM: 443201108
(New) ARNC: 03966V107

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 HWM1 will be determined as follows:

$$\text{HWM1} = \text{HWM} + 0.25 (\text{ARNC})$$

CONTRACT ADJUSTMENT - FUTURES

| | |
|------------------------------|--|
| EFFECTIVE DATE: | April 1, 2020 |
| FUTURES SYMBOL: | ARNC1D changes to HWM2D |
| | Note: All active Arconic Inc. (ARNC) futures will be adjusted in a manner similar to that of ARNC1D 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 Howmet Aerospace Inc. (HWM) Common Shares 2) 25 (New) Arconic Corporation (ARNC) Common Shares |
| SETTLEMENT ALLOCATION: | HWM: TBA (New) ARNC: TBA |
| CUSIPS: | HWM: 443201108 (New) ARNC: 03966V107 |

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PRICING

The underlying price for the HWM2D Futures contract deliverable, expressed in terms of current market value, would be calculated as follows:

$$\text{HWM2D} = \text{HWM} + 0.25 (\text{ARNC})$$

Please note that the valuation would apply only to the HWM2D 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

Arconic Inc. (ARNC) has announced the Company's separation into two independent, publicly traded companies by means of a pro rata distribution. The distribution ratio is 0.25 of a share of (New) Arconic Corporation common stock for each share of Arconic Inc. common stock held. The record date is March 19, 2020; the payable date is April 1, 2020. The NYSE has set April 1, 2020, as the ex-distribution date for this distribution.

(New) Arconic Corporation Common Shares will begin trading on a when issued basis on March 18, 2020 on the NYSE under the trading symbol "ARNC WI".

Prior to the opening of business on April 1, 2020, Arconic Inc. will change its name, trading symbol, and CUSIP to Howmet Aerospace Inc. (HWM), CUSIP 443201108.

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.