



DATE: MARCH 22, 2019

SUBJECT: DOWDUPONT INC. – DISTRIBUTION
OPTION SYMBOLS: DWDP/1DWDP/2DWDP
NEW SYMBOLS: DWDP1/1DWDP1/2DWDP1
FUTURES SYMBOL: DWDP1D
NEW SYMBOL: DWDP2D
DATE: 4/2/19

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: April 2, 2019

OPTION SYMBOLS: DWDP changes to DWDP1
1DWDP changes to 1DWDP1
2DWDP changes to 2DWDP1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 55.00 yields \$5,500.00)

NEW DELIVERABLE PER CONTRACT:

- 1) 100 DowDuPont Inc. (DWDP) Common Shares
- 2) 33 (New) Dow Inc. (DOW) Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional DOW Common Shares

SETTLEMENT ALLOCATION: DWDP: 70%
DOW: 30%

CUSIPS: DWDP: 26078J100
DOW: 260557103

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 DWDP1/1DWDP1/2DWDP1 will be determined as follows:

$$\text{DWDP1} = \text{DWDP} + 0.333333 (\text{DOW})$$

DELAYED SETTLEMENT

The DWDP and DOW components of the DWDP1/1DWDP1/2DWDP1 deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the DWDP1/1DWDP1/2DWDP1 deliverables until the cash in lieu of fractional DOW Common 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.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: April 2, 2019

FUTURES SYMBOL: DWDP1D changes to DWDP2D

Note: All active DowDuPont Inc. (DWDP) futures will be adjusted in a manner similar to that of DWDP1D 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 DowDuPont Inc. (DWDP) Common Shares
- 2) 33 (New) Dow Inc. (DOW) Common Shares
- 3) Cash in lieu of approximately 0.3333 fractional DOW Common Shares

SETTLEMENT ALLOCATION:

DWDP: 70%
DOW: 30%

CUSIPS: DWDP: 26078J100
DOW: 260557103

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 DWDP2D and all active DWDP Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{DWDP2D} = \text{DWDP} + 0.333333 (\text{DOW})$$

Please note that the valuation would apply only to the DWDP2D/all active DWDP futures 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 DWDP and DOW components of the DWDP2D/all active DWDP futures deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the DWDP2D deliverable 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

DowDuPont Inc. (DWDP) has announced a distribution of (New) Dow Inc. (DOW) Common Shares. The distribution ratio is approximately 0.333333 of a DOW share for each DWDP share held. The record date is March 21, 2019; the payable date is April 1, 2019. The NYSE has set April 2, 2019, as the ex-distribution date for this distribution.

Dow Inc. Common Shares began trading on a when issued basis on March 20, 2019 on the NYSE under the trading symbol "DOW 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 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.