



**DATE: MAY 29, 2019**

**SUBJECT: DOWDUPONT INC. – DISTRIBUTION/REVERSE SPLIT/  
NAME/SYMBOL/CUSIP CHANGE  
OPTION SYMBOLS: DWDP/2DWDP  
NEW SYMBOLS: DD2/2DD2  
FUTURES SYMBOL: DWDP1D  
NEW SYMBOL: DD3D  
DATE: 6/3/19  
\*\*\* UPDATE \*\*\***

**CONTRACT ADJUSTMENT – OPTIONS**

**EFFECTIVE DATE:** June 3, 2019

**OPTION SYMBOLS:** DWDP changes to DD2  
2DWDP changes to 2DD2

**STRIKE PRICES:** No Change

**NUMBER OF CONTRACTS:** No Change

**MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 30.50 yields \$3,050.00)

**NEW DELIVERABLE PER CONTRACT**

- 1) 33 (New) DuPont de Nemours, Inc. (DD) Common Shares
- 2) Cash in lieu of approximately 0.3333 fractional DD shares
- 3) 33 (New) Corteva, Inc. (CTVA) Shares
- 4) Cash in lieu of approximately 0.3333 fractional CTVA shares

**SETTLEMENT ALLOCATION:** **DD: 70%**  
**CTVA: 30%**

**CUSIPS:** DD: 26614N102  
CTVA: 22052L104

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 amounts are determined, the underlying price for DD2/2DD2 will be determined as follows:

$$DD2 = 0.333333 (DD) + 0.333333 (CTVA)$$

## **DELAYED SETTLEMENT**

The DD and CTVA components of the DD2/2DD2 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the DD2/2DD2 deliverable until the cash in lieu amounts are determined. Upon determination of the cash in lieu amounts, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

## **CONTRACT ADJUSTMENT - FUTURES**

EFFECTIVE DATE: June 3, 2019

FUTURES SYMBOL: DWDP1D changes to DD3D

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) 33 (New) DuPont de Nemours, Inc. (DD) Common Shares
- 2) Cash in lieu of approximately 0.3333 fractional DD shares
- 3) 33 (New) Corteva, Inc. (CTVA) Shares
- 4) Cash in lieu of approximately 0.3333 fractional CTVA shares

SETTLEMENT ALLOCATION: **DD: 70%**  
**CTVA: 30%**

CUSIPS: DD: 26614N102  
CTVA: 22052L104

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 amounts are determined, the underlying price for the DD3D/all active Futures contracts deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{DD3D} = 0.333333 (\text{DD}) + 0.333333 (\text{CTVA})$$

Please note that the valuation would apply only to the DD3D/all active 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 DD and CTVA components of the DD3D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the DD3D/all active futures deliverables until the cash in lieu amounts are determined. Upon determination of the cash in lieu amounts, OCC will require delivery of the appropriate cash amount.

## **BACKGROUND**

DowDuPont Inc. (DWDP) has announced a distribution of (New) Corteva, Inc. (CTVA) Common Shares. The distribution ratio is approximately 0.333333 of a CTVA share for each DWDP share held. The record date is May 24, 2019; the payable date is June 1, 2019. Immediately following the distribution, DowDuPont Inc. will effect a 1-for-3 reverse stock split and a name/symbol/CUSIP change. As a result of the reverse stock split and a name/symbol/CUSIP change, each DWDP Common Share will be converted into the right to receive approximately 0.333333 (New) DuPont de Nemours, Inc. (DD) Common Share. The distribution, reverse stock split, and name/symbol/CUSIP change will become effective before the market open on June 3, 2019.

Corteva, Inc. Common Shares began trading on a when issued basis on May 24, 2019 on the NYSE under the trading symbol "CTVA 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](mailto: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](mailto:memberservices@theocc.com).