



**THE FOUNDATION
FOR SECURE
MARKETS**

#44559

DATE: FEBRUARY 12, 2019

SUBJECT: GENERAL ELECTRIC COMPANY – DISTRIBUTION
OPTION SYMBOLS: GE/1GE/2GE
NEW SYMBOLS: GE1/1GE1/2GE1
FUTURES SYMBOL: GE1D
NEW SYMBOL: GE2D
DATE: 02/26/19

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: February 26, 2019

OPTION SYMBOLS: GE changes to GE1
1GE changes to 1GE1
2GE changes to 2GE1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 10.00 yields \$1,000.00)

NEW DELIVERABLE PER CONTRACT:
1) 100 General Electric Company (GE) Common Shares
2) Cash in lieu of approximately 0.5403 fractional WAB shares

CUSIP: GE: 369604103

PRICING

Until the cash in lieu amount is determined, the underlying price for GE1/1GE1/2GE1 will be determined as follows:

$$GE1 = GE + 0.005403 \text{ (WAB)}$$

DELAYED SETTLEMENT

The GE component of the GE1/1GE1/2GE1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the GE1/1GE1/2GE1 deliverable until

the cash in lieu of fractional WAB 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: February 26, 2019

FUTURES SYMBOL: GE1D changes to GE2D

Note: All active General Electric Company (GE) futures will be adjusted in a manner similar to that of GE1D 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 General Electric Company (GE) Common Shares
2) Cash in lieu of approximately 0.5403 fractional WAB shares

CUSIPS: GE: 369604103

PRICING

Until the cash in lieu amount is determined, the underlying price for the GE2D Futures/all active GE futures contracts deliverables, expressed in term of current market value, would be calculated as follows:

$$GE2D = GE + 0.005403 (WAB)$$

Please note that the valuation would apply only to the GE2D/all active GE 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 GE component of the GE2D/all active GE futures deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the GE2D/all active GE futures deliverables 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

General Electric Company (GE) has announced a spinoff distribution of its subsidiary Transportation Systems Holdings Inc. ("Spinco"). Immediately following the spinoff, Spinco will merge with a subsidiary of Wabtec Corporation (WAB). When the spinoff and merger transactions are completed, General Electric Company shareholders will receive approximately 0.005403 of a WAB share for each GE share held. The record date is February 14, 2019; the payable date is February 25, 2019. The NYSE has set February 26, 2019, as the ex-distribution date for this distribution. Cash will be paid in lieu of fractional shares.

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.