



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#44118**

**DATE: NOVEMBER 30, 2018**

**SUBJECT: LASALLE HOTEL PROPERTIES (ELECTION MERGER) –  
CONTRACT ADJUSTMENT  
OPTION SYMBOL: LHO  
NEW SYMBOL: PEB1  
FUTURES SYMBOL: LHO1D  
NEW SYMBOL: LHO2D  
DATE: 12/3/18**

On November 27, 2018, Shareholders of LaSalle Hotel Properties (LHO) voted concerning the proposed merger with Pebblebrook Hotel Trust (PEB). The merger was approved and subsequently consummated on November 30, 2018.

**The Merger: Aggregate Terms**

The maximum number of LaSalle Hotel Properties (LHO) Common Shares eligible to be converted into the right to receive the cash consideration will be equal to 30% of the aggregate number of LHO shares outstanding immediately prior to the effective time of the merger.

**CONTRACT ADJUSTMENT**

**DATE:** December 3, 2018

**OPTION SYMBOL:** LHO changes to PEB1

**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:** The deliverable for adjusted LHO options will be **BASED ON THE MERGER CONSIDERATION WHICH ACCRUES TO NON-ELECTING LHO SHAREHOLDERS** (stated in terms of a current 100-Share deliverable):

92 Pebblebrook Hotel Trust (PEB) Common Shares

**CUSIP:** PEB: 70509V100

**PRICING**

The underlying price for PEB1 will be determined as follows:

$$\text{PEB1} = 0.92 (\text{PEB})$$

### **FUTURES CONTRACT ADJUSTMENT**

DATE:	December 3, 2018
FUTURES SYMBOL:	LHO changes to LHO2D
NUMBER OF CONTRACTS:	No Change
MULTIPLIER:	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT:	The deliverable for adjusted LHO options will be BASED ON THE MERGER CONSIDERATION WHICH ACCRUES TO NON-ELECTING LHO SHAREHOLDERS (stated in terms of a current 100-Share deliverable).  92 Pebblebrook Hotel Trust (PEB) Common Shares
CUSIP:	PEB: 70509V100

### **PRICING**

The underlying price for the LHO2D Futures contract deliverables, expressed in terms of current market value, would be calculated as follows:

$$\text{LHO2D} = 0.92 (\text{PEB})$$

Please note that the valuation would apply only to the LHO2D 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.

### **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).