



**THE FOUNDATION
FOR SECURE
MARKETS**

#44682

DATE: MARCH 8, 2019

SUBJECT: NUTRISYSTEM, INC. - CONTRACT ADJUSTMENT
OPTION SYMBOL: 3/8/19 – NTRI remains NTRI
3/11/19 – NTRI becomes TVTY1
FUTURES SYMBOL: 3/8/19 - NTRI1D remains NTRI1D
3/11/19 – NTRI1D becomes NTRI2D

DATE: 3/8/19

CONTRACT ADJUSTMENT

DATE: March 8, 2019

OPTION SYMBOL: 3/8/19 - NTRI remains NTRI (with adjusted deliverable described below)
3/11/19 – NTRI becomes TVTY1

STRIKE DIVISOR: 1

**CONTRACTS
MULTIPLIER:** 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 8.50 yields \$850.00)

**NEW DELIVERABLE
PER CONTRACT:**

- 1) 21 Tivity Health, Inc. (TVTY) Common Shares, subject to adjustment as described in the NTRI/TVTY Proxy Statement/Prospectus dated February 4, 2019 (“Proxy”)
- 2) Cash in lieu of 0.41 fractional TVTY shares, subject to adjustment as described in the Proxy
- 3) \$3,875.00 (\$38.75 x 100), subject to adjustment as described in the Proxy

CUSIP: TVTY: 88870R102

PRICING

Until the final merger consideration and cash in lieu amount are determined, the underlying price for TVTY1 will be determined as follows:

$$\text{TVTY1} = 0.2141 (\text{TVTY}) + 38.75$$

DELAYED SETTLEMENT

OCC will delay settlement of the TVTY component and cash portion of the TVTY1 deliverable until the final merger consideration and cash in lieu of fractional TVTY shares are determined. Upon determination of the final merger consideration and cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate number of TVTY shares and the appropriate cash amount.

FUTURES CONTRACT ADJUSTMENT

DATE: March 8, 2019

FUTURES SYMBOL: 3/8/19 – NTRI1D remains NTRI1D (with adjusted deliverable described below)
3/11/19 – NTRI1D becomes NTRI2D

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT: 1) 21 Tivity Health, Inc. (TVTY) Common Shares, subject to adjustment as described in the Proxy
2) Cash in lieu of 0.41 fractional TVTY shares, subject to adjustment as described in the Proxy
3) \$3,875.00 (\$38.75 x 100), subject to adjustment as described in the Proxy

CUSIP: TVTY: 88870R102

PRICING

Until the final merger consideration and cash in lieu amount are determined, the underlying price for the NTRI2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{NTRI2D} = 0.2141 (\text{TVTY}) + 38.75$$

Please note that the valuation would apply only to the NTRI2D 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.

DELAYED SETTLEMENT

OCC will delay settlement of the TVTY component and cash portion of the NTRI2D deliverable until the final merger consideration and cash in lieu of fractional TVTY shares is determined. Upon determination of the final merger consideration and cash in lieu amount, OCC will require delivery of the appropriate number of TVTY shares and the appropriate cash amount.

BACKGROUND

On March 5, 2019, Shareholders of Nutrisystem, Inc. (NTRI) voted concerning the proposed merger with Tivity Health, Inc. (TVTY). The merger was approved and subsequently consummated before the open on March 8, 2019. As a result, each existing NTRI Common Share will be converted into the right to receive 0.2141 TVTY Common Shares, plus \$38.75 Cash, subject to adjustment as described in the NTRI/TVTY Proxy Statement/Prospectus dated February 4, 2019. Cash will be paid in lieu of fractional TVTY 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@theooc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theooc.com.