



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#45696**

**DATE: SEPTEMBER 24, 2019**

**SUBJECT: NUANCE COMMUNICATIONS, INC. - DISTRIBUTION  
OPTION SYMBOL: NUAN  
NEW SYMBOL: NUAN1  
FUTURES SYMBOL: NUAN1D  
NEW SYMBOL: NUAN2D  
DATE: 10/2/19**

**CONTRACT ADJUSTMENT – OPTIONS**

**EFFECTIVE DATE:** October 2, 2019

**OPTION SYMBOL:** NUAN changes to NUAN1

**STRIKE PRICES:** No Change

**NUMBER OF CONTRACTS:** No Change

**MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike 10 yields \$1,000)

**NEW DELIVERABLE PER CONTRACT**

- 1) 100 Nuance Communications, Inc. (NUAN) Common Shares
- 2) 12 (New) Cerence Inc. (CRNC) Common Shares
- 3) Cash in lieu of 0.5 fractional CRNC shares

**SETTLEMENT ALLOCATION:**

NUAN: 85%  
CRNC: 15%

**CUSIPS:**

NUAN: 67020Y100  
CRNC: 156727109

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 NUAN1 will be determined as follows:

$$\text{NUAN1} = \text{NUAN} + 0.125 (\text{CRNC})$$

## **DELAYED SETTLEMENT**

The NUAN and CRNC components of the NUAN1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the NUAN1 deliverable until the cash in lieu of fractional CRNC 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:	October 2, 2019
FUTURES SYMBOL:	NUAN1D changes to NUAN2D
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 Nuance Communications, Inc. (NUAN) Common Shares 2) 12 (New) Cerence Inc. (CRNC) Common Shares 3) Cash in lieu of 0.5 fractional CRNC Common Shares
SETTLEMENT ALLOCATION:	NUAN: 85% CRNC: 15%
CUSIPS:	NUAN: 67020Y100 CRNC: 156727109

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 NUAN2D Futures contract deliverable, expressed in term of current market value, would be calculated as follows:

$$\text{NUAN2D} = \text{NUAN} + 0.125 (\text{CRNC})$$

Please note that the valuation would apply only to the NUAN2D 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**

The NUAN and CRNC components of the NUAN2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the NUAN2D 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**

Nuance Communications, Inc. (NUAN) has announced a distribution of (New) Cerence Inc. (CRNC) Common Shares. The distribution ratio is 0.125 of a CRNC share for each NUAN share held. The record date is September 17, 2019; the payable date is October 1, 2019. The NASDAQ Stock Market has set October 2, 2019 as the ex-distribution date for this distribution.

Cerence Inc. Common Shares began trading on a when issued basis on September 16, 2019 on NASDAQ under the trading symbol "CRNCV" and are anticipated to begin trading regular way on October 2, 2019, under the trading symbol "CRNC".

### **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).