



**DATE:** DECEMBER 10, 2018  
**SUBJECT:** OCLARO, INC. - CONTRACT ADJUSTMENT  
OPTION SYMBOL: 12/10/18 – OCLR remains OCLR  
12/11/18 – OCLR becomes LITE1  
FUTURES SYMBOL: 12/10/18 – OCLR1D remains OCLR1D  
12/11/18 – OCLR1D becomes OCLR2D  
DATE: 12/10/18

**CONTRACT ADJUSTMENT**

DATE: December 10, 2018  
OPTION SYMBOL: 12/10/18 - OCLR remains OCLR (with adjusted deliverable described below)  
12/11/18 – OCLR becomes LITE1  
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) 6 Lumentum Holdings Inc. (LITE) Common Shares, subject to adjustment as described in the OCLR/LITE Joint Proxy Statement/Prospectus dated May 31, 2018 (“Proxy”)  
2) Cash in lieu of 0.36 fractional LITE shares, subject to adjustment as described in the Proxy  
3) \$560.00 Cash (\$5.60 x 100), subject to adjustment as described in the Proxy  
CUSIP: LITE: 55024U109

**PRICING**

Until the cash in lieu amount is determined, the underlying price for LITE1 will be determined as follows if the terms are unchanged:

$$\text{LITE1} = 0.0636 (\text{LITE}) + 5.60$$

## **DELAYED SETTLEMENT**

OCC will delay settlement of the LITE component and the cash portion of the LITE1 deliverable until the final merger consideration and cash in lieu of fractional LITE 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 LITE shares and the appropriate cash amount.

## **FUTURES CONTRACT ADJUSTMENT**

DATE: December 10, 2018

FUTURES SYMBOL: 12/10/18 - OCLR1D remains OCLR1D (with adjusted deliverable described below)  
12/11/18 - OCLR1D becomes OCLR2D

NUMBER OF CONTRACTS: No Change

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

NEW DELIVERABLE PER CONTRACT: 1) 6 Lumentum Holdings Inc. (LITE) Common Shares, subject to adjustment as described in the Proxy  
2) Cash in lieu of 0.36 fractional LITE shares, subject to adjustment as described in the Proxy  
3) \$560.00 Cash (\$5.60 x 100), subject to adjustment as described in the Proxy

CUSIP: LITE: 55024U109

## **PRICING**

Until the cash in lieu amount is determined, the underlying price for the OCLR2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows, if the terms are unchanged:

$$\text{OCLR2D} = 0.0636 (\text{LITE}) + 5.60$$

Please note that the valuation would apply only to the OCLR2D 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 LITE component and the cash portion of the OCLR2D deliverable until the final merger consideration and cash in lieu of fractional LITE shares is determined. Upon determination of the final merger consideration and cash in lieu amount, OCC will require delivery of the appropriate number of LITE shares and the appropriate cash amount.

## **BACKGROUND**

On July 10, 2018, Shareholders of Oclaro, Inc. (OCLR) voted concerning the proposed merger with Lumentum Holdings Inc. (LITE). The merger was approved and subsequently consummated before the open on December 10, 2018. As a result, each existing OCLR Common Share will be converted into the right to receive 0.0636 LITE Common Shares plus \$5.60 Cash, subject to adjustment as described in the OCLR/LITE Joint Proxy Statement/Prospectus dated May 31, 2018 ("Proxy"). Cash will be paid in lieu of fractional LITE 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](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).