



**THE FOUNDATION
FOR SECURE
MARKETS**

#46985

DATE: MAY 13, 2020

SUBJECT: PDL BIOPHARMA, INC. – DISTRIBUTION
OPTION SYMBOL: PDLI
NEW SYMBOL: PDLI1
DATE: 5/14/20

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: May 14, 2020

OPTION SYMBOL: PDLI changes to PDLI1

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 15 yields \$1,500)

NEW DELIVERABLE PER CONTRACT:

- 1) 100 PDL BioPharma, Inc. (PDLI) Common Shares
- 2) Approximately 11 Evofem Biosciences, Inc. (EVFM) Common Shares
- 3) Cash in lieu of approximately 0.5 fractional EVFM shares

SETTLEMENT ALLOCATION:

PDLI: 85%
EVFM: 15%

CUSIPS:

PDLI: 69329Y104
EVFM: 30048L104

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 final EVFM distribution rate and the cash in lieu amount, if any, are determined, the underlying price for PDLI1 will be determined as follows:

$$\text{PDLI1} = \text{PDLI} + 0.115 (\text{EVFM})$$

DELAYED SETTLEMENT

The PDLI component of the PDLI1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the EVFM component and of the cash portion of the PDLI1 deliverable until the final distribution rate and the cash in lieu of fractional EVFM Common Shares, if any, are determined. Upon determination of the final distribution rate and cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate number of EVFM shares and the appropriate cash amount.

BACKGROUND

PDL BioPharma, Inc. (PDLI) has announced a distribution of Evofem Biosciences, Inc. (EVFM) Common Shares. The distribution ratio is approximately 0.115 of an EVFM share for each PDLI share held. The record date is May 15, 2020; the payable date is May 21, 2020. The NASDAQ Stock Market has set May 14, 2020 as the ex-distribution date for this distribution.

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.