



DATE: FEBRUARY 1, 2019

SUBJECT: SENDGRID, INC. – CONTRACT ADJUSTMENT
OPTION SYMBOLS: 2/1/19 – SEND remains SEND
2/4/19 – SEND becomes TWLO1
2/1/19 – 2SEND remains 2SEND
2/4/19 – 2SEND becomes 2TWLO1

DATE: 2/1/19

CONTRACT ADJUSTMENT

DATE: February 1, 2019

OPTION SYMBOLS: 2/1/19 – SEND remains SEND (with adjusted deliverable described below)
2/4/19 – SEND becomes TWLO1
2/1/19 – 2SEND remains 2SEND (with adjusted deliverable described below)
2/4/19 – 2SEND becomes 2TWLO1

STRIKE DIVISOR: 1

**CONTRACTS
MULTIPLIER:** 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 50 yields \$5,000.00)

**NEW DELIVERABLE
PER CONTRACT:** 1) 48 Twilio Inc. (TWLO) Class A Common Shares
2) Cash in lieu of 0.5 fractional TWLO shares

CUSIP: TWLO: 90138F102

PRICING

Until the cash in lieu amount is determined, the underlying price for TWLO1/2TWLO1 will be determined as follows:

$$\text{TWLO1} = 0.485 (\text{TWLO})$$

DELAYED SETTLEMENT

The TWLO component of the TWLO1/2TWLO1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the TWLO1/2TWLO1 deliverable until the cash in lieu of fractional TWLO 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.

BACKGROUND

On January 30, 2019, Shareholders of SendGrid, Inc. (SEND) voted concerning the proposed merger with Twilio Inc. (TWLO). The merger was approved and subsequently consummated before the open on February 1, 2019. As a result, each existing SEND Common Share will be converted into the right to receive 0.485 TWLO Class A Common Shares. Cash will be paid in lieu of fractional TWLO 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. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.