



DATE: DECEMBER 26, 2018

SUBJECT: SELECT INCOME REIT – DISTRIBUTION
OPTION SYMBOL: SIR
NEW SYMBOL: SIR1
DATE: 12/28/18
***** UPDATE *****

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: December 28, 2018

OPTION SYMBOL: SIR changes to SIR1

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 \$1,500.00)

NEW DELIVERABLE PER CONTRACT
 1) 100 Select Income REIT (SIR) Common Shares
 2) 50 Industrial Logistics Properties Trust (ILPT) Common Shares
 3) Cash in lieu of 0.2509 fractional ILPT Common Shares

SETTLEMENT ALLOCATION:
 SIR: 65%
 ILPT: 35%

CUSIPS:
 SIR: 81618T100
 ILPT: 456237106

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 SIR1 will be determined as follows:

$$\text{SIR1} = \text{SIR} + 0.502509 (\text{ILPT})$$

DELAYED SETTLEMENT

The SIR and ILPT components of the SIR1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the SIR1 deliverable until the cash in lieu of fractional ILPT Common Share 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

Select Income REIT (SIR) has announced a distribution of Industrial Logistics Properties Trust (ILPT) Common Shares. The distribution ratio is **0.502509** of an ILPT share for each SIR share held. The record date is December 20, 2018; the payable date is December 27, 2018. **The ex-distribution date for this distribution is December 28, 2018.**

Industrial Logistics Properties Trust Common Shares began trading on a when issued basis on December 21, 2018 on the NASDAQ under the trading symbol "ILPTV".

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.