



#42687

**DATE:** FEBRUARY 28, 2018

**SUBJECT:** STRAIGHT PATH COMMUNICATIONS INC. - CONTRACT  
ADJUSTMENT  
OPTION SYMBOL: 2/28/18 - STRP remains STRP  
3/1/18 - STRP becomes VZ1  
**DATE:** 2/28/18

**Contract Adjustment**

**DATE:** February 28, 2018

**OPTION SYMBOL:** 2/28/18 - STRP remains STRP (with adjusted deliverable described below)  
3/1/18 - STRP changes to VZ1

**STRIKE DIVISOR:** 1

**CONTRACTS  
MULTIPLIER:** 1

**NEW MULTIPLIER:** 100 (e.g., a premium of 1.50 yields \$150; a strike of 180.00 yields \$18,000.00)

**NEW DELIVERABLE  
PER CONTRACT:** 1) 379 Verizon Communications Inc. (VZ) Common Shares  
2) Cash in lieu of 0.69 fractional VZ shares

**CUSIP:** VZ: 92343V104

**PRICING**

Until the exchange ratio is determined, the underlying price for VZ1 will be determined as follows:

$$VZ1 = 3.7969 (VZ)$$

**DELAYED SETTLEMENT**

The VZ component of the VZ1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement cash portion of the VZ1 deliverable until the cash in lieu of fractional VZ shares are 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 August 2, 2017, Shareholders of Straight Path Communications Inc. (STRP) voted concerning the proposed merger with Verizon Communications Inc. (VZ). The merger was approved and subsequently consummated before the open on February 28, 2018. As a result, each existing STRP Common Share will be converted into the right to receive **3.7969 Verizon Communications Inc. (VZ) Common Shares**. Cash will be paid in lieu of fractional VZ 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 a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. 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).