



DATE: APRIL 1, 2020

SUBJECT: SPRINT CORPORATION - CONTRACT ADJUSTMENT
OPTION SYMBOL: 4/1/20 – S remains S
4/2/20 – S becomes TMUS1
FUTURES SYMBOL: 4/1/20 – S1D remains S1D
4/2/20 – S1D becomes S2D
DATE: 4/1/20

CONTRACT ADJUSTMENT

DATE: April 1, 2020

OPTION SYMBOL: 4/1/20 – S remains S (with adjusted deliverable described below)
4/2/20 – S changes TMUS1

STRIKE DIVISOR: 1

**CONTRACTS
MULTIPLIER:** 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 20 yields \$2,000.00)

**NEW DELIVERABLE
PER CONTRACT:** 1) 10 T-Mobile US, Inc. (TMUS) Common Shares
2) Cash in lieu of 0.256 fractional TMUS shares

CUSIP: TMUS: 872590104

PRICING

Until the cash in lieu amount is determined, the underlying price for TMUS1 will be determined as follows:

$$\text{TMUS1} = 0.10256 (\text{TMUS})$$

DELAYED SETTLEMENT

The TMUS component of the TMUS1 deliverable will settle through the National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the TMUS1 deliverable until the cash in lieu of fractional TMUS 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.

FUTURES CONTRACT ADJUSTMENT

DATE: April 1, 2020

FUTURES SYMBOL: 4/1/20 – S1D remains S1D (with adjusted deliverable described below)
4/2/20 – S1D changes to S2D

NUMBER OF CONTRACTS: No Change

MULTIPLIER 100 (e.g., a premium of 1.50 yields 4150)

NEW DELIVERABLE PER CONTRACT: 1) 10 T-Mobile US, Inc. (TMUS) Common Shares
2) Cash in lieu of 0.256 fractional TMUS shares

CUSIP: TMUS: 872590104

PRICING

Until the cash in lieu amount is determined, the underlying price for the S2D Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$S2D = 0.10256 \text{ (TMUS)}$$

Please note that the valuation would apply only to the S2D 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

The TMUS component of the S2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the S2D deliverable until the cash in lieu of fractional TMUS shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

BACKGROUND

Shareholders owning approximately 84.5% of Sprint Corporation (S) Common Shares entered into a support agreement that executed and delivered written consent approving the business combination of Sprint Corporation and T-Mobile US, Inc. (TMUS). The merger was subsequently consummated before the open on April 1, 2020. As a result, each existing S Common Share will be converted into the right to receive 0.10256 TMUS Common Shares. Cash will be paid in lieu of fractional TMUS 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.