

Spinoff

June 06, 2014

Exchange/Memo ID: 203359

ONN / OCC ID: 34660



TIME WARNER INC. - DISTRIBUTION UPDATE

DESCRIPTION:

Time Warner Inc. (TWX) has announced a distribution of Time Inc. (TIME) Common Shares. The distribution ratio is 0.125 TIME shares for each TWX share held. The record date is May 23, 2014; the mail date is June 6, 2014. The New York Stock Exchange (NYSE) has set June 9, 2014, as the ex-distribution date for this distribution.

Time Inc. Common Shares began trading on a when issued basis on May 21, 2014 on NYSE under the trading symbol TIME WI.

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date: **06/09/2014**

Option Symbol: TWX becomes TWX1

Underlying Security: TWX becomes TWX1

CUSIP: 887228104, 887317303

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100

Strike Price: **Remains the Same**

Settlement Allocation: 5%, 95%

New Deliverable: Cash in lieu of 0.5 fractional TIME Shares
12 Time Inc. (TIME) Common Shares
100 Time Warner Inc. (TWX) Common Shares

On Friday, June 6, 2014, immediately after the BOX close, all resting orders for TWX in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the new TWX1 series, the BOX Participant will need to reenter the orders before the open on Monday, June 9, 2014.

Pricing Considerations: Until the cash in lieu amount is determined, the underlying price for TWX1 will be determined as follows:

$$TWX1 = TWX + 0.125 (TIME)$$

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TWX	C/P	42.50	06/21/2014	TWX1	C/P	42.50	06/21/2014
TWX	C/P	45.00	06/21/2014	TWX1	C/P	45.00	06/21/2014
TWX	C/P	47.50	06/21/2014	TWX1	C/P	47.50	06/21/2014
TWX	C/P	50.00	06/21/2014	TWX1	C/P	50.00	06/21/2014
TWX	C/P	55.00	06/21/2014	TWX1	C/P	55.00	06/21/2014
TWX	C/P	57.50	06/21/2014	TWX1	C/P	57.50	06/21/2014
TWX	C/P	60.00	06/21/2014	TWX1	C/P	60.00	06/21/2014
TWX	C/P	62.50	06/21/2014	TWX1	C/P	62.50	06/21/2014

TWX	C/P	65.00	06/21/2014	TWX1	C/P	65.00	06/21/2014
TWX	C/P	67.50	06/21/2014	TWX1	C/P	67.50	06/21/2014

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Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TWX	C/P	70.00	06/21/2014	TWX1	C/P	70.00	06/21/2014
TWX	C/P	72.50	06/21/2014	TWX1	C/P	72.50	06/21/2014
TWX	C/P	75.00	06/21/2014	TWX1	C/P	75.00	06/21/2014
TWX	C/P	77.50	06/21/2014	TWX1	C/P	77.50	06/21/2014
TWX	C/P	80.00	06/21/2014	TWX1	C/P	80.00	06/21/2014
TWX	C/P	47.50	07/19/2014	TWX1	C/P	47.50	07/19/2014
TWX	C/P	50.00	07/19/2014	TWX1	C/P	50.00	07/19/2014
TWX	C/P	55.00	07/19/2014	TWX1	C/P	55.00	07/19/2014
TWX	C/P	57.50	07/19/2014	TWX1	C/P	57.50	07/19/2014
TWX	C/P	60.00	07/19/2014	TWX1	C/P	60.00	07/19/2014
TWX	C/P	62.50	07/19/2014	TWX1	C/P	62.50	07/19/2014
TWX	C/P	65.00	07/19/2014	TWX1	C/P	65.00	07/19/2014
TWX	C/P	67.50	07/19/2014	TWX1	C/P	67.50	07/19/2014
TWX	C/P	70.00	07/19/2014	TWX1	C/P	70.00	07/19/2014
TWX	C/P	72.50	07/19/2014	TWX1	C/P	72.50	07/19/2014
TWX	C/P	75.00	07/19/2014	TWX1	C/P	75.00	07/19/2014
TWX	C/P	77.50	07/19/2014	TWX1	C/P	77.50	07/19/2014
TWX	C/P	80.00	07/19/2014	TWX1	C/P	80.00	07/19/2014
TWX	C/P	85.00	07/19/2014	TWX1	C/P	85.00	07/19/2014
TWX	C/P	45.00	10/18/2014	TWX1	C/P	45.00	10/18/2014
TWX	C/P	47.50	10/18/2014	TWX1	C/P	47.50	10/18/2014
TWX	C/P	50.00	10/18/2014	TWX1	C/P	50.00	10/18/2014
TWX	C/P	55.00	10/18/2014	TWX1	C/P	55.00	10/18/2014
TWX	C/P	57.50	10/18/2014	TWX1	C/P	57.50	10/18/2014
TWX	C/P	60.00	10/18/2014	TWX1	C/P	60.00	10/18/2014
TWX	C/P	62.50	10/18/2014	TWX1	C/P	62.50	10/18/2014
TWX	C/P	65.00	10/18/2014	TWX1	C/P	65.00	10/18/2014
TWX	C/P	67.50	10/18/2014	TWX1	C/P	67.50	10/18/2014
TWX	C/P	70.00	10/18/2014	TWX1	C/P	70.00	10/18/2014
TWX	C/P	72.50	10/18/2014	TWX1	C/P	72.50	10/18/2014
TWX	C/P	75.00	10/18/2014	TWX1	C/P	75.00	10/18/2014
TWX	C/P	77.50	10/18/2014	TWX1	C/P	77.50	10/18/2014
TWX	C/P	80.00	10/18/2014	TWX1	C/P	80.00	10/18/2014
TWX	C/P	85.00	10/18/2014	TWX1	C/P	85.00	10/18/2014
TWX	C/P	23.00	01/17/2015	TWX1	C/P	23.00	01/17/2015
TWX	C/P	25.00	01/17/2015	TWX1	C/P	25.00	01/17/2015
TWX	C/P	28.00	01/17/2015	TWX1	C/P	28.00	01/17/2015
TWX	C/P	30.00	01/17/2015	TWX1	C/P	30.00	01/17/2015
TWX	C/P	33.00	01/17/2015	TWX1	C/P	33.00	01/17/2015
TWX	C/P	35.00	01/17/2015	TWX1	C/P	35.00	01/17/2015
TWX	C/P	38.00	01/17/2015	TWX1	C/P	38.00	01/17/2015
TWX	C/P	40.00	01/17/2015	TWX1	C/P	40.00	01/17/2015
TWX	C/P	42.00	01/17/2015	TWX1	C/P	42.00	01/17/2015
TWX	C/P	45.00	01/17/2015	TWX1	C/P	45.00	01/17/2015
TWX	C/P	47.00	01/17/2015	TWX1	C/P	47.00	01/17/2015

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
TWX	C/P	50.00	01/17/2015	TWX1	C/P	50.00	01/17/2015
TWX	C/P	52.50	01/17/2015	TWX1	C/P	52.50	01/17/2015
TWX	C/P	55.00	01/17/2015	TWX1	C/P	55.00	01/17/2015
TWX	C/P	57.50	01/17/2015	TWX1	C/P	57.50	01/17/2015
TWX	C/P	60.00	01/17/2015	TWX1	C/P	60.00	01/17/2015
TWX	C/P	62.50	01/17/2015	TWX1	C/P	62.50	01/17/2015
TWX	C/P	65.00	01/17/2015	TWX1	C/P	65.00	01/17/2015
TWX	C/P	67.50	01/17/2015	TWX1	C/P	67.50	01/17/2015
TWX	C/P	70.00	01/17/2015	TWX1	C/P	70.00	01/17/2015
TWX	C/P	72.50	01/17/2015	TWX1	C/P	72.50	01/17/2015
TWX	C/P	75.00	01/17/2015	TWX1	C/P	75.00	01/17/2015
TWX	C/P	77.50	01/17/2015	TWX1	C/P	77.50	01/17/2015
TWX	C/P	80.00	01/17/2015	TWX1	C/P	80.00	01/17/2015
TWX	C/P	85.00	01/17/2015	TWX1	C/P	85.00	01/17/2015
TWX	C/P	90.00	01/17/2015	TWX1	C/P	90.00	01/17/2015
TWX	C/P	95.00	01/17/2015	TWX1	C/P	95.00	01/17/2015
TWX	C/P	35.00	01/15/2016	TWX1	C/P	35.00	01/15/2016
TWX	C/P	40.00	01/15/2016	TWX1	C/P	40.00	01/15/2016
TWX	C/P	45.00	01/15/2016	TWX1	C/P	45.00	01/15/2016
TWX	C/P	47.50	01/15/2016	TWX1	C/P	47.50	01/15/2016
TWX	C/P	50.00	01/15/2016	TWX1	C/P	50.00	01/15/2016
TWX	C/P	55.00	01/15/2016	TWX1	C/P	55.00	01/15/2016
TWX	C/P	57.50	01/15/2016	TWX1	C/P	57.50	01/15/2016
TWX	C/P	60.00	01/15/2016	TWX1	C/P	60.00	01/15/2016
TWX	C/P	62.50	01/15/2016	TWX1	C/P	62.50	01/15/2016
TWX	C/P	65.00	01/15/2016	TWX1	C/P	65.00	01/15/2016
TWX	C/P	67.50	01/15/2016	TWX1	C/P	67.50	01/15/2016
TWX	C/P	70.00	01/15/2016	TWX1	C/P	70.00	01/15/2016
TWX	C/P	72.50	01/15/2016	TWX1	C/P	72.50	01/15/2016
TWX	C/P	75.00	01/15/2016	TWX1	C/P	75.00	01/15/2016
TWX	C/P	77.50	01/15/2016	TWX1	C/P	77.50	01/15/2016
TWX	C/P	80.00	01/15/2016	TWX1	C/P	80.00	01/15/2016
TWX	C/P	85.00	01/15/2016	TWX1	C/P	85.00	01/15/2016
TWX	C/P	90.00	01/15/2016	TWX1	C/P	90.00	01/15/2016
TWX	C/P	95.00	01/15/2016	TWX1	C/P	95.00	01/15/2016
TWX	C/P	100.00	01/15/2016	TWX1	C/P	100.00	01/15/2016
TWX	C/P	105.00	01/15/2016	TWX1	C/P	105.00	01/15/2016

Disclaimer:

This Information Memo summarizes corporate events affecting listed options. No warranty of accuracy or completeness is given with respect to the summary. Option series information is based on series existing at OCC at the time this Memo was generated.

Contact Information:

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.