



**THE FOUNDATION
FOR SECURE
MARKETS®**

#56907

Date: July 18, 2025

Subject: Hess Corporation - Contract Adjustment
Option Symbols: 07/18/2025 - HES/2HES remains HES/2HES
07/21/2025 - HES/2HES becomes CVX1/2CVX1
Date: 07/18/2025

Contract Adjustment

Date: July 18, 2025

Option Symbols: 07/18/2025 - HES remains HES (with adjusted deliverable described below)
07/21/2025 – HES changes to CVX1
07/18/2025 – 2HES remains 2HES (with adjusted deliverable described below)
07/21/2025 - 2HES changes to 2CVX1

Strike Divisor: 1

**Contracts
Multiplier:** 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 157.50 yields \$15,750.00)

**New Deliverable
Per Contract:** 1) 102 Chevron Corporation (CVX) Common Shares
2) Cash in lieu of 0.5 fractional CVX Common Shares

Note: Once determined the cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

CUSIP: CVX: 166764100

Pricing

Until the cash in lieu amount is determined, the underlying price for CVX1/2CVX1 will be determined as follows:

$$\text{CVX1} = 1.025 (\text{CVX})$$

Delayed Settlement

The CVX component of the CVX1/2CVX1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CVX1/2CVX1 deliverable until the cash in lieu of fractional CVX 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 May 28, 2024, Shareholders of Hess Corporation (HES) voted concerning the proposed merger with Chevron Corporation (CVX). The merger was approved and subsequently consummated before the open on July 18, 2025. As a result, each existing HES Common Share will be converted into the right to receive 1.025 CVX Common Shares. Cash will be paid in lieu of fractional CVX 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).

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ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.