



**THE FOUNDATION
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#51635

Date: December 21, 2022

Subject: Adjusted Diana Shipping Inc. – Determination of Deliverable
Adjusted Option Symbol: DSX1

Adjusted Diana Shipping Inc. options were adjusted on November 30, 2021 and November 25, 2022 (See OCC Information Memos #49647 and #51414). The new deliverable became 1) 100 Diana Shipping Inc. (DSX) Common Shares, 2) 10 OceanPal Inc (OP) Common Shares plus 100 x the number of OceanPal Inc. (OP) Common Shares automatically distributed per DSX share to DSX shareholders in lieu of the 7.0% Series D Convertible Preferred Shares of OP, and 3) Cash in lieu of fractional OP shares, if any. The DSX, OP, and cash components of DSX1 options exercise/assignment activity were subject to delayed settlement.

OCC has been informed that the final distribution ratio is 1.152527 OP shares per DSX share held.

OCC has not yet been informed of a price to be used in determining cash in lieu of fractional shares.

Now that the distribution ratio has been determined, OCC will require Put exercisers and Call assignees, during the period of November 25, 2022 through December 21, 2022, to deliver the appropriate number of OP shares.

Terms of the DSX1 options are as follows:

New Deliverable

Per Contract:

- 1) 100 Diana Shipping Inc. (DSX) Common Shares
- 2) 125 OceanPal, Inc. (OP) Common Shares
- 3) Cash in lieu of 0.2527 fractional OP 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.

Strike Prices: Unchanged

CUSIPS: DSX: Y2066G104
OP: Y6430L103

Multiplier: 100 (i.e., a premium of 1.50 yields \$150)

Settlement

The DSX and OP components of DSX1 exercise/assignment activity, which were delayed from November 25, 2022 through December 20, 2022, will settle through National Security Clearing Corporation (NSCC). OCC will continue to delay the cash portion of the DSX1 deliverable until the cash in lieu amount is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Pricing

Until the cash in lieu amount is determined, underlying price for DSX1 options will be determined as follows:

$$\text{DSX1} = \text{DSX} + 1.252527 (\text{OP})$$

For example, if DSX closes at 3.74 and OP closes at 0.15, the DSX1 prices would be calculated as follows:

$$\text{DSX1} = 3.74 + 1.252527 (0.15) = 3.93$$

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, 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.