



# THE OPTIONS CLEARING CORPORATION

#26934

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**DATE:** FEBRUARY 2, 2010

**SUBJECT:** RUTH'S HOSPITALITY GROUP, INC. – RIGHTS DISTRIBUTION  
OPTION SYMBOL: UUK  
NEW SYMBOL: CYK  
EXPIRATION DATE: 02-09-10  
\*\*\*UPDATE\*\*\*

Ruth's Hospitality Group, Inc. (RUTH) has declared a Rights distribution to RUTH Common Shareholders, as described below:

**RIGHTS:** Transferable Rights (Rights) to purchase 0.579232 New RUTH Common Shares per one (1) Right. An oversubscription privilege is available.

**PRICE:** \$2.50 per RUTH Common Share

**DISTRIBUTION RATIO:** One (1) transferable Right per each RUTH Common Share.

**RECORD DATE:** January 20, 2010

**EXPIRATION:** 5:00 PM New York City Time on February 9, 2010, unless extended

**DEPOSITARY:** American Stock Transfer & Trust Company, LLC

**GUARANTY PERIOD:** Three (3) Business Days

**The Ruth's Hospitality Group, Inc. Rights began trading regular way on the NASDAQ OMX under the symbol RUTHR on January 15, 2010.**

## CONTRACT ADJUSTMENT

**EFFECTIVE DATE:** January 15, 2010

OPTION SYMBOLS:	UUK becomes CYK
STRIKE DIVISOR:	1
CONTRACT MULTIPLIER:	1
NEW MULTIPLIER:	100 (e.g., a premium of 1.50 yields \$150)
NEW DELIVERABLE PER CONTRACT	<ol style="list-style-type: none"> <li>1) 100 Ruth's Hospitality Group, Inc. ("RUTH") Common Shares</li> <li>2) 100 Rights ("RUTHR") to Purchase 57 (New) RUTH Common Shares</li> </ol>
SETTLEMENT ALLOCATION:	RUTH: 95% RUTH RT: 5%
CUSIPS:	RUTH: 783332109 RUTHR: 783332117

### **SETTLEMENT**

The RUTH & RUTHR components of the CYK exercise/assignment activity will settle through National Securities Clearing Corporation ("NSCC").

The above allocation of the aggregate strike price amount is being provided solely for the purpose of the interface between OCC and the National Securities Clearing Corporation (NSCC), and is not intended to be used for any other purpose, transaction or customer account statements.

### **FURTHER CONTRACT ADJUSTMENT**

When the Rights expire, adjusted CYK options will be further adjusted to no longer call for the delivery of the Rights. **No adjustment will be made to the adjusted contracts to compensate for any in-the-money value the RUTH Rights may have at the time of their expiration.**

### **DELIVERY SETTLEMENT AND PROTECT PROVISIONS**

Option contracts which are exercised, and physically-settled security Option contracts which mature, will require the settlement of all component securities included in the contract deliverable at the time of the option contract exercise, including rights, warrants, or similar instruments. Additional entitlements (such as due bills, eligibility to participate in tender offers, elections, etc.) may also automatically attach to securities deliverable upon option exercise. Conversely, exercised calls and or matured Option contracts may be unable to realize the benefit of securities or entitlements **not** associated to the contract deliverable at the time of the option exercise or Option contract maturity.

Except in unusual cases, securities deliverable as a result of equity option exercises and or Option contract maturity are settled through National Securities Clearing Corporation ("NSCC").

Rights and obligations of Members with respect to securities settling at NSCC as a result of an option exercise/assignment are governed by the rules of NSCC. NSCC has its own rules which enable purchasers of securities to protect themselves for value which may be lost if timely delivery is not made to them of securities subject to specific deadlines, such as the expiration of a tender offer, rights offering, election, or similar event. These rules are generally called "protect" or "liability notice" procedures, and are intended to protect purchasers by binding the delivering parties to liability if such value is lost because timely delivery is not affected. Purchasers of securities must observe the rules and procedures of NSCC to avail themselves of such "protect" provisions of NSCC. Questions regarding these provisions should be addressed to NSCC.

## **SPECIAL RISKS**

### **Call Holders/ Put Writers**

***As a result of the adjustment described above, the Rights will be part of the adjusted CYK options deliverable, but only until the Rights expire. When the Rights expire, they will become worthless and any value the Rights had will be lost. As a result, holders of in-the-money calls may be disadvantaged unless they exercise in sufficient time to obtain the Rights. After the Rights expire, holders of short put positions who are assigned will be required to purchase RUTH stock whose value may have been substantially diminished by the Rights distribution.***

### **Uncovered Short Obligations**

Holders of assigned calls or exercised puts, and holders of short positions in physically-settled security Option at maturity who do not possess the underlying security at the time of assignment or exercise are subject to special risk. Suspension of trading of the underlying security, inability to borrow the security, or similar events may preclude the possibility of effecting timely delivery, thereby exposing persons with an obligation to deliver to liability if timely delivery is not effected (See "Delivery Settlement and Protect Provisions" above).

## **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.

Members are referred to the Option Exchanges indicated above for additional information, including order placement and Exchange intentions to re-list standard (100 share) options.

**For questions regarding this memo, call 1-888-OPTIONS or email [options@theooc.com](mailto:options@theooc.com).**