



**THE FOUNDATION
FOR SECURE
MARKETS**

#44625

DATE: FEBRUARY 26, 2019

SUBJECT: FMC CORPORATION – DISTRIBUTION
OPTION SYMBOLS: FMC/2FMC
NEW SYMBOLS: FMC1/2FMC1
FUTURES SYMBOL: FMC1D
NEW SYMBOL: FMC2D
DATE: 03/04/19

CONTRACT ADJUSTMENT – OPTIONS

EFFECTIVE DATE: March 4, 2019

OPTION SYMBOLS: FMC changes to FMC1
2FMC changes to 2FMC1

STRIKE PRICES: No Change

**NUMBER OF
CONTRACTS:** No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 87.50 yields \$8,750.00)

**NEW DELIVERABLE
PER CONTRACT:** 1) 100 FMC Corporation (FMC) Common Shares
2) Approximately 93 Livent Corporation (LTHM) Common Shares
3) Cash in lieu of approximately 0.04664 fractional LTHM Common Shares

**SETTLEMENT
ALLOCATION:** FMC: 90%
LTHM: 10%

CUSIPS: FMC: 302491303
LTHM: 53814L108

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

Until the final distribution rate and cash in lieu amount are determined, the underlying price for FMC1 will be determined as follows:

$$\text{FMC1} = \text{FMC} + 0.9304664 (\text{LTHM})$$

DELAYED SETTLEMENT

The FMC component of the FMC1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the LTHM component and cash portion of the FMC1 deliverable until the final distribution rate and cash in lieu of fractional LTHM Common Shares are determined. Upon determination of the final distribution rate and cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate number of LTHM shares and appropriate cash amount.

CONTRACT ADJUSTMENT - FUTURES

EFFECTIVE DATE: March 4, 2019

FUTURES SYMBOL: FMC1D changes to FMC2D

Note: All active FMC Corporation (FMC) futures will be adjusted in a manner similar to that of FMC1D futures.

SETTLEMENT PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150)

NEW DELIVERABLE PER CONTRACT:

- 1) 100 FMC Corporation (FMC) Common Shares
- 2) Approximately 93 Livent Corporation (LTHM) Common Shares
- 3) Cash in lieu of approximately 0.04664 fractional LTHM Common Shares

SETTLEMENT ALLOCATION:

FMC: 90%
LTHM: 10%

CUSIPS:

FMC: 302491303
LTHM: 53814L108

THE SETTLEMENT ALLOCATION IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

PRICING

Until the final distribution rate and cash in lieu amount are determined the underlying price for the FMC2D/all active FMC Futures contracts deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{FMC2D} = \text{FMC} + 0.9304664 (\text{LTHM})$$

Please note that the valuation would apply only to the FMC2D/all active FMC futures deliverables 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 FMC component of the FMC2D/all active FMC futures deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the LTHM component and cash portion of the FMC2D/all active FMC futures deliverables until the final distribution rate and cash in lieu of fractional LTHM Common Shares are determined. Upon determination of the final distribution rate and cash in lieu amount, OCC will require delivery of the appropriate number of LTHM shares and appropriate cash amount.

BACKGROUND

FMC Corporation (FMC) has announced a distribution of Livent Corporation (LTHM) Common Shares. The distribution ratio is approximately 0.9304664 of an LTHM share for each FMC share held. The record date is February 25, 2019; the payable date is March 1, 2019. The NYSE has set March 4, 2019, as the ex-distribution date for this distribution. Cash will be paid in lieu of fractional LTHM 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.