



**THE FOUNDATION
FOR SECURE
MARKETS**

#47057

DATE: MAY 28, 2020

**SUBJECT: OVERSTOCK.COM, INC. – DETERMINATION OF DELIVERABLE
ADJUSTED OPTION SYMBOL: OSTK1**

Adjusted Overstock.com, Inc. options were adjusted on April 24, 2020. (See OCC Information Memo #47030). The new deliverable became 1) 100 Overstock.com, Inc. (OSTK) Common Shares, and 2) The cash value equivalent of 10 Overstock.com Inc. (OSTKO) Digital Series A-1 Preferred Shares. Settlement of the cash portion of OSTK1 options exercise/assignment activity was subject to delayed settlement.

The cash value equivalent was determined by averaging the daily closing prices of OSTKO Shares on the tZERO ATS trading system from May 20, 21, and 22, 2020, the three days of trading following the payable date of the distribution, and rounded to the nearest penny.

The average of the daily closing prices from May 20, 2020 (\$13.00), May 21, 2020 (\$7.90), and May 22, 2020 (\$7.56) is \$9.49 per OSTKO share.

Now that the cash equivalent value has been determined, OCC will require Put exercisers and Call assignees during the period of April 24, 2020 through May 28, 2020, to deliver the appropriate cash amount.

Terms of the OSTK1 options are as follows:

New Deliverable Per Contract: 1) 100 Overstock.com, Inc. (OSTK) Common Shares
2) \$94.90 Cash (\$9.49 cash value equivalent per OSTKO share x 10 OSTKO shares)

STRIKE PRICES: Unchanged

CUSIP: 690370101

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

SETTLEMENT

The OSTK component of OSTK1 exercise/assignment activity from April 24, 2020 through May 27, 2020, has settled through National Security Clearing Corporation (NSCC). The \$94.90 cash amount will be settled by OCC.

PRICING

The underlying price for OSTK1 options will be determined as follows:

$$\text{OSTK1} = \text{OSTK} + 0.949$$

For example, if OSTK closes at 16.67, the OSTK1 price would be calculated as follows:

$$\text{OSTK1} = 16.67 + 0.949 = 17.62$$

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.