



**THE FOUNDATION
FOR SECURE
MARKETS**

#47250

DATE: JULY 2, 2020

**SUBJECT: OXY2 OPTIONS - EXPIRATION PRICING CONSIDERATION
*** UPDATE *****

OXY2 (adjusted Occidental Petroleum Corporation options) will be subject to special pricing consideration in expiration processing on July 2, 2020. The pricing consideration is due to the delayed trading status of the Occidental Petroleum Corporation Warrants and undetermined cash in lieu of fractional warrants amount included in the option deliverable of OXY2 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

OXY2

OXY2 options are adjusted Occidental Petroleum Corporation options, adjusted July 2, 2020, (see OCC Information Memo #47244). The deliverable of OXY2 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 100 Occidental Petroleum Corporation (OXY) Common Shares
- 2) 12 Occidental Petroleum Corporation Warrants
- 3) Cash in lieu of 0.5 fractional OXY Warrants

As of July 2, 2020, the Occidental Petroleum Corporation Warrants have not commenced trading, and the OXY Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating an OXY2 price for use in expiration processing, OCC will use the following formula:

$$\text{OXY2} = \text{OXY}$$

For example, if OXY closes at 17.41, the OXY2 price would be:

$$\text{OXY2} = 17.41$$

This formula does not include the value of the Occidental Petroleum Corporation Warrants included in the deliverable.

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.