



**DATE:** AUGUST 14, 2020

**SUBJECT:** FRANKLIN FINANCIAL NETWORK, INC. – CONTRACT  
ADJUSTMENT  
OPTION SYMBOL: FSB  
NEW SYMBOL: FBK1  
DATE: 8/17/20

**Contract Adjustment**

DATE: August 17, 2020

OPTION SYMBOL: FSB changes to FBK1

STRIKE DIVISOR: 1

CONTRACTS  
MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 25 yields \$2,500.00)

NEW DELIVERABLE  
PER CONTRACT:

- 1) 96 FB Financial Corporation (FBK) Common Shares
- 2) Cash in lieu of 0.50 fractional FBK shares
- 3) \$200.00 Cash (\$2.00 x 100)

CUSIP: FBK: 30257X104

**PRICING**

Until the cash in lieu of fractional shares is determined, the underlying price for FBK1 will be determined as follows:

$$\text{FBK1} = 0.9650 (\text{FBK}) + 2.00$$

**DELAYED SETTLEMENT**

The FBK component of the FBK1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the FBK1 deliverable until the cash in lieu of fractional FBK shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

**BACKGROUND**

On June 15, 2020, Shareholders of Franklin Financial Network, Inc. (FSB) voted concerning the proposed merger with FB Financial Corporation (FBK). The merger was approved and subsequently consummated before the open on August 15, 2020. As a result, each existing FSB Common Share will be converted into the right to receive 0.9650 FBK Common Shares plus \$2.00 Cash. Cash will be paid in lieu of fractional FBK 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](mailto: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](mailto:memberservices@theocc.com).