



**THE FOUNDATION
FOR SECURE
MARKETS**

#47447

DATE: AUGUST 17, 2020

**SUBJECT: ADJUSTED OCCIDENTAL PETROLEUM CORPORATION - CASH
IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOLS: OXY2/2OXY2**

Adjusted Occidental Petroleum Corporation options were adjusted on July 2, 2020 (See OCC Information Memo #47384). The new deliverable became 1) 100 Occidental Petroleum Corporation (OXY) Common Shares, 2) 12 Occidental Petroleum Corporation Warrants (OXY WS), and 3) Cash in lieu of 0.5 fractional OXY WS shares. Only settlement of the cash portion of OXY2/2OXY2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$4.8744 per whole OXY WS share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.5 \times \$4.8744 = \$2.44 \text{ per OXY2/2OXY2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of July 2, 2020 through August 17, 2020, to deliver the appropriate cash amount.

Terms of the OXY2/2OXY2 options are as follows:

New Deliverable Per Contract: 1) 100 Occidental Petroleum Corporation (OXY) Common Shares
2) 12 Occidental Petroleum Corporation Warrants (OXY WS)
3) \$2.44 Cash

STRIKE PRICES: Unchanged

CUSIPS: OXY: 674599105
OXY WS: 674599162

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

SETTLEMENT

The OXY and OXY WS components of OXY2/2OXY2 exercise/assignment activity from July 2, 2020 through August 14, 2020, have settled through National Security Clearing Corporation (NSCC). The \$2.44 cash amount will be settled by OCC.

PRICING

The underlying price for OXY2/2OXY2 options will be determined as follows:

$$\text{OXY2} = \text{OXY} + 0.12 (\text{OXY WS}) + 0.0244$$

For example, if OXY closes at 14.92 and OXY WS closes at 3.92, the OXY2/2OXY2 price would be calculated as follows:

$$\text{OXY2} = 14.92 + 0.12 (3.92) + 0.0244 = 15.41$$

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.