



**THE FOUNDATION
FOR SECURE
MARKETS**

#47470

DATE: AUGUST 20, 2020

SUBJECT: CIG1 OPTIONS - EXPIRATION PRICING CONSIDERATION

CIG1 (adjusted Companhia Energetica De Minas Gerais – CEMIG options) will be subject to special pricing consideration in expiration processing on August 21, 2020. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of CIG1 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.

CIG1

CIG1 options are adjusted Companhia Energetica De Minas Gerais – CEMIG options, adjusted August 13, 2020, (see OCC Information Memo #47469). The deliverable of CIG1 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 104 Companhia Energetica de Minas Gerais – CEMIG (CIG) American Depositary Shares
- 2) Cash in lieu of 0.1131032 fractional CIG shares, less issuance fee

As of August 20, 2020, the CIG Distribution has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a CIG1 price for use in expiration processing, OCC will use the following formula:

$$\text{CIG1} = 1.041131032 (\text{CIG})$$

For example, if CIG closes at 1.94, the CIG1 price would be:

$$\text{CIG1} = 1.041131032 (1.94) = 2.02$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the distribution.

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.