



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#47546**

**DATE: SEPTEMBER 4, 2020**

**SUBJECT: LIBERTY LATIN AMERICA LTD. CLASS A – ANTICIPATED RIGHTS  
DISTRIBUTION  
OPTION SYMBOL: LILA  
NEW SYMBOL: LILA1  
DATE: 9/11/20???  
\*\*\* UPDATE \*\*\***

Liberty Latin America Ltd. (LILA) has declared an anticipated Rights distribution to LILA Class A Common Shareholders, as described below:

**RIGHTS:** Transferable Rights (“Rights”) to purchase one Liberty Latin America Ltd. Class C (LILAK) per one (1) Class C common share **at a subscription price of \$7.14**. The treatment of fractional Rights is to be determined.

**PRICE:** **\$7.14 per LILAK share**

**DISTRIBUTION RATIO:** To be determined

**RECORD DATE:** September 8, 2020

**EXPIRATION:** September 25, 2020, unless extended

**DEPOSITARY:** To be determined

**GUARANTY PERIOD:** To be determined

The Rights are anticipated to begin trading on NASDAQ on a when-issued basis on September 10, 2020 and regular-way September 11, 2020. The trading symbol is to be determined.

**CONTRACT ADJUSTMENT**

**EFFECTIVE DATE:** Anticipated to become effective on September 11, 2020

**OPTION SYMBOL:** LILA becomes LILA1

**STRIKE DIVISOR:** 1

**CONTRACT MULTIPLIER:** 1

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

NEW DELIVERABLE  
PER CONTRACT

- 1) 100 Liberty Latin America Ltd. (LILA) Class A Common Shares
- 2) **26 Liberty Latin American Ltd. Class A Rights**
- 3) **Cash in lieu of fractional 0.9 Rights, if any**

Note: The treatment of fractional Rights, if any, is not confirmed at this time.

SETTLEMENT  
ALLOCATION:

LILA: TBD  
Rights: TBD

CUSIPS:

LILA: G9001E102  
Rights: TBD

THE ALLOCATION OF THE AGGREGATE STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITIES CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

### **PRICING**

The underlying price of LILA1 will be determined as follows:

$$\text{LILA1} = \text{LILA} + 0.2690 (\text{Rights})$$

### **FURTHER CONTRACT ADJUSTMENT**

NOTE: The Rights component of adjusted option LILA1 will remain part of the LILA1 deliverable until the Rights have expired. Once the expiration of the Rights has been confirmed, the Rights component will be removed from the LILA1 deliverable.

When the Rights expire, adjusted LILA1 options will be further adjusted to no longer call for the delivery of the Rights. **No adjustment will be made to the adjusted contracts to compensate for any in-the-money value the Rights may have at the time of their expiration.**

### **EXERCISE CONSIDERATIONS**

The Rights are expected to expire on September 25, 2020 at a time to be determined. Each Right will include an oversubscription right which will entitle any holder who exercises its basic subscription right in full to acquire additional Class C common shares (subject to proration) at the same subscription price if there are unsubscribed rights. Call option holders who wish to exercise their adjusted options to obtain the Rights for subsequent exercise, sale or other purposes bear sole responsibility for determining when to exercise their options as well as complying with all terms and conditions of the Rights offering applicable to Rights exercise or delivery.

### **DELIVERY SETTLEMENT AND PROTECT PROVISIONS**

Option contracts which are exercised, and physically-settled security Futures contracts which mature, will require the settlement of all component securities included in the contract deliverable at the time of the option contract exercise, including rights, warrants, or similar instruments. Additional entitlements (such as due bills, eligibility to participate in tender offers, elections, etc.) may also automatically attach to securities deliverable upon option exercise. Conversely, exercised calls and or matured Futures contracts may be unable to realize the benefit of securities or entitlements **not** associated to the contract deliverable at the time of the option exercise or Option contract maturity.

Except in unusual cases, securities deliverable as a result of equity option exercises and or Option contract maturity are settled through National Securities Clearing Corporation (NSCC).

Rights and obligations of Members with respect to securities settling at NSCC as a result of an option exercise/assignment are governed by the rules of NSCC. NSCC has its own rules which enable purchasers of securities to protect themselves for value which may be lost if timely delivery is not made to them of securities subject to specific deadlines, such as the expiration of a tender offer, rights offering, election, or similar event. These rules are generally called protect or liability notice procedures, and are intended to protect purchasers by binding the delivering parties to liability if such value is lost because timely delivery is not effected. Purchasers of securities must observe the rules and procedures of NSCC to avail themselves of such protect provisions of NSCC. Questions regarding these provisions should be addressed to NSCC.

## **SPECIAL RISKS**

### **Call Holders/Put Writers**

**As a result of the adjustment described above, the Rights will be part of the adjusted LILA1 options deliverable, but only until the Rights expire, after which time they will be dropped from the deliverable of the option contract. When the Rights expire and are dropped from the deliverable of the option contract, any value the Rights may have had will no longer be associated with the option contract. As a result, holders of in-the-money calls may be disadvantaged unless they exercise in sufficient time to obtain the Rights. After the Rights expire and are dropped from the deliverable of the option contract, holders of short put positions who are assigned will be required to purchase LILA stock whose value may have been substantially diminished by the Rights distribution.**

### **Uncovered Short Obligations**

Holders of assigned calls or exercised puts, and holders of short positions in physically-settled security Futures at maturity who do not possess the underlying security at the time of assignment or exercise are subject to special risk. Suspension of trading of the underlying security, inability to borrow the security, or similar events may preclude the possibility of effecting timely delivery, thereby exposing persons with an obligation to deliver to liability if timely delivery is not effected (See Delivery Settlement and Protect Provisions above).

## **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 The 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).