



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#47732**

**DATE: OCTOBER 15, 2020**

**SUBJECT: SQM1 OPTIONS - EXPIRATION PRICING CONSIDERATION**

SQM1 (adjusted Sociedad Quimica y Minera de Chile S.A. options) will be subject to special pricing consideration in expiration processing on October 16, 2020. The pricing consideration is due to the undetermined cash amount included in the option deliverable of SQM1 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.

**SQM1**

SQM1 options are adjusted Sociedad Quimica y Minera de Chile S.A. options, adjusted October 8, 2020, (see OCC Information Memo #47656). The deliverable of SQM1 options is:

**NEW DELIVERABLE**

**PER CONTRACT:**

- 1) 100 Sociedad Quimica y Minera de Chile S.A. (SQM) American Depositary Shares
- 2) Approximately \$37.99 Cash ( $\$0.37994 \times 100$ ), less withholdings, if any

As of October 15, 2020, the SQM Distribution Agent has not determined the final net dividend amount.

For purposes of calculating a SQM1 price for use in expiration processing, OCC will use the following formula:

$$\text{SQM1} = \text{SQM} + 0.3799$$

For example, if SQM closes at 34.53, the SQM1 price would be:

$$\text{SQM1} = 34.53 + 0.3799 = 34.91$$

This formula includes an estimate for the value of the cash in the deliverable and not the actual final net cash dividend 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](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).