



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#47864**

**DATE: NOVEMBER 19, 2020**

**SUBJECT: ADJUSTED FTS INTERNATIONAL, INC. – FURTHER  
ADJUSTMENT  
ADJUSTED OPTION SYMBOL: FTSI1**

Adjusted FTS International, Inc. options were adjusted on May 12, 2020 (See OCC Information Memo #46969). The new deliverable became 5 FTS International, Inc. (FTSI) Common Shares.

On November 4, 2020, United States Bankruptcy Court for the Southern District of Texas Houston Division confirmed the Joint Prepackaged Chapter 11 Plan (“Plan”) of Reorganization of FTS International, Inc. and its Debtor Affiliates. The Plan become effective on November 19, 2020, and all existing FTSI shares will be converted into 0.23850265 New FTSI Class A Common Stock, 0.28291882 Tranche 1 Warrants, and 0.70729704 Tranche 2 Warrants. Fractional shares and warrants will be rounded down to the nearest whole number.

#### **POSSIBLE SETTLEMENT PROCEDURES**

An OTC or OTCBB (Bulletin Board) market may develop in the U.S. for the Warrants, although there is no assurance this will happen. OCC anticipates that if an OTC or OTCBB market develops, NSCC will accept transactions in the warrants which arise as a result of option exercise and assignment activity. In that event, FTSI1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the warrants, OCC anticipates requiring broker to broker settlement for FTSI1 options after the final distributions are determined.

Pursuant to customary OCC broker to broker settlement procedures, inability to effect delivery may subsequently occasion cash settlement as determined by OCC.

Adjusted FTSI1 options must be further adjusted to reflect the distribution as described below.

#### **FURTHER ADJUSTMENT**

EFFECTIVE DATE: November 20, 2020

OPTION SYMBOL: FTSI1 remains FTSI1

STRIKE DIVISOR: 1

CONTRACTS  
MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 2.50 yields \$250.00)

**NEW DELIVERABLE****PER CONTRACT:**

- 1) 1 (New) FTS International, Inc. (FTSI) Class A Common Share
- 2) 1 FTS International, Inc. Tranche 1 Warrant
- 3) 3 FTS International, Inc. Tranche 2 Warrants

**SETTLEMENT****ALLOCATION:**

FTSI: 90%  
Tranche 1 Warrant: 5%  
Tranche 2 Warrant: 5%

**CUSIPS:**

FTSI: 30283W302  
Tranche 1 Warrant: 30283W112  
Tranche 2 Warrant: 30283W120

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

**DELAYED SETTLEMENT**

The FTSI component of the FTSI deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the Trench 1 and Trench 2 Warrants until trading symbol, and trading status of the Warrants, are determined. Upon determination of the Warrants' trading symbol, and trading status, OCC will require Put exercisers and Call assignees to deliver the appropriate number of Warrants.

**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).