



**THE FOUNDATION
FOR SECURE
MARKETS**

#47869

DATE: NOVEMBER 20, 2020

SUBJECT: FTSI1 OPTIONS - EXPIRATION PRICING CONSIDERATION

FTSI1 (adjusted FTS International, Inc. options) will be subject to special pricing consideration in expiration processing on November 20, 2020. The pricing consideration is due to the undetermined symbol and trading status of warrants included in the option deliverable of FTSI1 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.

FTSI1

FTSI1 options are adjusted FTS International, Inc. options, adjusted May 12, 2020 and November 20, 2020, (see OCC Information Memos #46969 and #47864). The deliverable of FTSI1 options is:

NEW DELIVERABLE

PER CONTRACT:

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

As of November 20, 2020, the trading symbol and status of warrants included in the FTSI1 deliverable has not been confirmed, and no market has developed in the U.S. for the Warrants.

For purposes of calculating a TEO1 price for use in expiration processing, OCC will use the following formula:

$$\text{FTSI1} = 0.01 (\text{FTSI})$$

For example, if FTSI closes at 8.99, the FTSI1 price would be:

$$\text{FTSI} = 0.01 (8.99) = 0.09$$

This formula uses the last trading price for FTSI and does not include the value of the warrants.

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.