



**THE FOUNDATION
FOR SECURE
MARKETS**

#47948

DATE: DECEMBER 3, 2020

**SUBJECT: AKORN, INC. – CONTRACT ADJUSTMENT/ACCELERATION OF
EXPIRATIONS
OPTION SYMBOL: AKRXQ
DATE: 10/2/20
* * * UPDATE * * ***

On September 4, 2020, the United States Bankruptcy Court for the District of Delaware confirmed the Modified Joint Chapter 11 Plan of Akorn, Inc. and Its Debtor Affiliates ("Plan"). The Plan became effective on October 2, 2020. As a result, all existing Akorn, Inc. shares were canceled, and AKRXQ shareholders were entitled to receive an amount of cash equal to the Pro Rata portion of the Distributable Proceeds, if any.

The Pro Rata portion of the Distributable Proceeds amount has been determined to be \$0.00 Cash per AKRXQ share held. There will be no future distributions.

AKRXQ exercise and assignment activity, which was subject to delayed settlement from October 2, 2020 to December 2, 2020, is no longer subject to delayed settlement, effective December 3, 2020.

CONTRACT ADJUSTMENT

The option symbol AKRXQ will not change.

In settlement of AKRXQ exercise/assignment activity, an AKRXQ put exerciser (or call assignee) will receive a cash payment of the full aggregate strike price amount on the exercise settlement date. An AKRXQ put assignee (or call exercise) will pay this amount on the exercise settlement date. Settlement will take place through OCC's cash settlement system on the second business day after exercise.

Since AKRXQ options are American-style, they are exercisable at the election of the holder. Expiration processing for AKRXQ options will take place in the normal fashion, including automatic exercise thresholds.

ACCELERATION OF EXPIRATIONS

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cashonly delivery will be subject to an acceleration of the expiration dates for outstanding option series. (See OCC Information Memo 23707) Additionally, the exercise by exception (ex by ex) threshold for expiring series will be \$.01 in all account types.

All series of Akorn, Inc. options whose expiration dates are after 12-18-2020 will have their expiration dates advanced to 12-18-2020. Expiration dates occurring before 12-18-2020 (e.g., Flex options) will remain unchanged.

All Akorn, Inc. options will utilize a \$.01 exercise threshold.

Option Symbol: AKRXQ

Existing Expiration: All months

New expiration date: 12-18-2020

Existing American-style Akorn, Inc. options remain exercisable at the option of the holder prior to their expiration. Exercised options will continue to settle in two business days.

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. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.