



**THE FOUNDATION
FOR SECURE
MARKETS**

#48020

DATE: DECEMBER 17, 2020

SUBJECT: KOL OPTIONS - EXPIRATION PRICING CONSIDERATION

KOL (VanEck Vectors Coal ETF options) will be subject to special pricing consideration in expiration processing on December 18, 2020. The pricing consideration is due to the current suspended trading status of the KOL shares included in the KOL options deliverable. 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.

KOL

KOL options are VanEck Vectors Coal ETF options, settlement of which was delayed on December 15, 2020 (see OCC Information Memo #47988). The deliverable of KOL options is:

NEW DELIVERABLE
PER CONTRACT: 100 VanEck Vectors Coal ETF (KOL) Shares

As of December 15, 2020, KOL shares were suspended from trading on the NYSE, and OCC delayed settlement of all KOL exercise/assignment activity. The liquidation date for the fund will be on or around December 22, 2020, and the proceeds of the liquidation are expected to be sent to KOL holders on or about December 22, 2020.

For purposes of calculating KOL price for use in expiration processing, OCC will use the last trading price for KOL of \$94.92, therefore:

$$\text{KOL} = 94.92$$

This formula uses the last trading price for KOL and not the final distribution amount per share applicable in the liquidation.

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.