



**THE FOUNDATION
FOR SECURE
MARKETS**

#48115

DATE: JANUARY 5, 2021

**SUBJECT: EXECUTIVE ORDER 13959 – ADDRESSING THE THREAT FROM
SECURITIES INVESTMENTS THAT FINANCE COMMUNIST
CHINESE MILITARY COMPANIES
* * * UPDATE/ADDITIONAL REGULATORY GUIDANCE * * ***

OCC published Information Memos #48090 and #48091 on December 31, 2020 to describe the possible implications of Executive Order 13959 (EO) on certain options with underlying securities affected by the EO. It was anticipated that equity and option transactions involving China Mobile Ltd. (CHL), China Unicom (CHU), and CNOOC Ltd. (CEO) would be prohibited pursuant to the EO. However, recent regulatory guidance has indicated that CHL, CHU, and CEO will not be subject to the prohibitions of the EO at this time. **Consequently, the impact of the EO to listed options as described in Information Memos #48090 and #48091 is not applicable to CHL, CHU, and CEO options at this time.**

Market participants should be aware that these or other securities may become subject to the EO in the future and the possible risks described in Memos #48090 and #48091 may be encountered. If the underlying security to any option becomes subject to the EO, OCC will publish an information memo to identify the affected options.

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.