



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#48370**

**Date:** March 02, 2021

**Subject:** Adjusted Direxion Daily Financial Bear 3X Shares – Further Adjustment  
Adjusted Option Symbol: FAZ1  
Date: 03/2/21  
\* \* \* Update \* \* \*

Adjusted Direxion Daily Financial Bear 3X Shares (adjusted symbol FAZ1) were adjusted on June 28, 2019 (See OCC Information Memo #45156). The new deliverable became 20 Direxion Daily Financial Bear 3X Shares (FAZ).

Direxion Daily Financial Bear 3X Shares (FAZ) has announced a 1-for-8 reverse stock split. As a result of the reverse stock split, each FAZ share will be converted into the right to receive 0.125 (New) Direxion Daily Financial Bear 3X shares. The reverse stock split will become effective before the market open on March 2, 2021. Cash will be paid in lieu of fractional FAZ shares.

Adjusted FAZ1 options must be further adjusted to reflect the reverse split as described below.

**Contract Adjustment**

Effective Date: March 2, 2021

Option Symbol: FAZ1 remains FAZ1

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100 (e.g., for premium or strike dollar extensions 1.00 will equal \$100)

New Deliverable Per Contract: 1) 2 (New) Direxion Daily Financial Bear 3X Shares (FAZ)  
2) Cash in lieu of 0.5 fractional FAZ Shares

CUSIP: FAZ (New): 25460E240

**Pricing**

Until the cash in lieu amount is determined, the underlying price for FAZ1 will be determined as follows:

$$\text{FAZ1} = 0.025 (\text{FAZ})$$

## Delayed Settlement

The FAZ component of the FAZ1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the FAZ1 deliverable until the cash in lieu of fractional FAZ Shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

## 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).