



**THE FOUNDATION
FOR SECURE
MARKETS**

#48662

Date: May 04, 2021

Subject: Valaris plc – Contract Adjustment
Option Symbol: VALPQ becomes VLPQ1
Date: 4/28/2021
* * * Update * * *

On March 3, 2021, U.S. Bankruptcy Court for the Southern District of Texas Houston Division confirmed the Debtors' Fourth Amended Joint Chapter 11 Plan of Reorganization for Valaris plc ("Plan"). The Plan became effective on April 27, 2021, and all existing VALPQ shares were cancelled. VALPQ shareholders are entitled to receive a Pro Rata portion of New Warrants ("Warrants"), as described in the Plan. The treatment of fractional Warrants was unknown at the time.

OCC has been informed that the warrant distribution ratio is 0.0274975132 warrants per VALPQ share held. Fractional warrants will be dropped.

On May 3, 2021, the Warrants began trading on the New York Stock Exchange (NYSE) under the symbol "VAL WS." NSCC will settle transactions in the VAL WS warrants which arise as a result of option exercise and assignment activity. VLPQ1 option exercise and assignment activity will settle in the normal fashion through NSCC.

Contract Adjustment

Date: April 28, 2021

Option Symbol: VALPQ becomes VLPQ1

Strike Divisor: 1

Contract Multiplier: 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 1 yields \$100.00)

**New Deliverable
Per Contract:** 2 Valaris Limited (VAL WS) Warrants

CUSIP: (New) VAL WS: G9460G119

Pricing

The underlying price for VLPQ1 will be determined as follows:

$$\text{VLPQ1} = 0.02 (\text{VAL WS})$$

Settlement

The VLPQ1 exercise/assignment activity, which was subject to delayed settlement from April 28, 2021 through May 3, 2021, is no longer delayed and will settle through National Securities Clearing Corporation (NSCC). Now that the Warrants' final distribution ratio, trading symbol, and trading status have been determined, OCC will require Put exercisers and Call assignees to deliver the appropriate number of Warrants.

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.