#50046

Date: February 11, 2022

Subject: **Notice of Expiration Exercise Threshold Amount for Index and Index Flex Options with a Multiplier of One**

OCC Rule 1804 provides expiration exercise procedures for cash settled options and establishes the amount by which index options will be automatically deemed exercised on an option's expiration date (the "exercise threshold amount"). Rule 1804 permits OCC to establish an exercise threshold amount different from the amount included in the rule by providing Index Clearing Members with 30 days notice of such change.

In anticipation of the listing of certain index and index flex options with a **multiplier of one**, notice is hereby given that the exercise threshold amount for index and index flex options included in OCC Rule 1804 that have a **multiplier of one (1)** will have an exercise threshold amount of **$0.01 per contract**. Index products with a **multiplier of 100** will continue to have an exercise threshold amount of **$1.00 per contract** as stated in Rule 1804. The exercise threshold amount for OTC Index options remains $0.01 per contract as stated in Rule 1804.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, email Investor Services at 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.