



Date: June 16, 2022

Subject: POTX1 Options - Expiration Pricing Consideration

POTX1 (adjusted Global X Funds Global X Cannabis ETF options) will be subject to special pricing consideration in expiration processing on June 17, 2022. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of POTX1 as indicated below. 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.

POTX1

POTX1 options are adjusted Global X Funds Global X Cannabis ETF options, adjusted June 13, 2022 (see OCC Information Memo #50572). The deliverable of POTX1 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 16 (New) Global X Funds Global X Cannabis ETF (POTX) Shares
- 2) Cash in lieu of approximately 0.6667 fractional POTX Shares

As of June 16, 2022, the POTX Exchange Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a POTX1 price for use in expiration processing, OCC will use the following formula:

$$\text{POTX1} = 0.166667 (\text{POTX})$$

For example, if POTX closes at 17.16, the POTX1 price would be:

$$\text{POTX1} = 0.166667 (17.16) = 2.86$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the reverse split.

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

For questions regarding this memo, please email the Investor Education team at options@theocc.com. Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.