Date:	June 30, 2022
Subject:	Adjusted Fanhua Inc. – Determination of Deliverable Adjusted Option Symbol: FANH1

Adjusted Fanhua Inc. options were adjusted on June 8, 2022 (See OCC Information Memo #50533).

The new deliverable became 1) 100 Fanhua Inc. (FANH) American Depositary Shares, 2) Approximately 23 CNFinance Holdings Limited (CNF) American Depositary Shares, and 3) Cash in lieu of approximately 0.55 fractional CNF American Depositary Shares, if any, less $1.15 issuance fees ($0.05 x 23). Settlement of the CNF and cash components of FANH1 options exercise/assignment activity were subject to delayed settlement.

OCC has been informed that the final distribution ratio is 0.2355 CNF shares per FANH share held.

OCC has not yet been informed of a price to be used in determining cash in lieu of fractional shares.

Now that the distribution ratio has been determined, OCC will require Put exercisers and Call assignees, during the period of June 8, 2022 through June 30, 2022, to deliver the appropriate CNF share amount.

Terms of the FANH1 options are as follows:

New Deliverable Per Contract:	1) 100 Fanhua Inc. (FANH) American Depositary Shares 2) 23 CNFinance Holdings Limited (CNF) American Depositary Shares 3) Cash in lieu of 0.55 fractional CNF American Depositary Shares, less $1.15 issuance fees ($0.05 x 23) Note: If the cash in lieu entitlement, if any, per FANH1 contract is less than the applicable fees, then no cash in lieu amount will be associated with the FANH1 option deliverable. Once determined, the cash in lieu of fractional share portion of the option deliverable will remain fixed and will not vary with price changes of any security.
Strike Prices:	Unchanged
CUSIPS:	FANH: 30712A103 CNF: 18979T105

Multiplier:	100 (i.e., a premium of 1.50 yields $150)

Settlement

The FANH component of FANH1 exercise/assignment activity has settled through National Security Clearing Corporation (NSCC). The CNF component of FANH1 exercise/assignment activity, which was delayed from June 8, 2022 through June 29, 2022, will settle through National Security Clearing Corporation (NSCC). OCC will continue to delay the cash portion of the FANH1 deliverable until the cash in lieu amount is determined. Upon determination of the cash in lieu amount OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Pricing

Until the cash in lieu amount is determined, underlying price for FANH1 options will be determined as follows:

$$FANH1 = FANH + 0.2355 (CNF)$$

For example, if FANH closes at 5.17 and CNF closes at 2.82, the FANH1 prices would be calculated as follows:

$$FANH1 = 5.17 + 0.2355 (2.82) = 5.83$$

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, 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.