



**THE FOUNDATION  
FOR SECURE  
MARKETS®**

**#51795**

**Date:** January 19, 2023

**Subject:** JEF1 Options - Expiration Pricing Consideration

JEF1 (adjusted Jefferies Financial Group Inc. options) will be subject to special pricing consideration in expiration processing on January 20, 2023. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of JEF1 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.

### **JEF1**

JEF1 options are adjusted Jefferies Financial Group Inc. options, adjusted January 17, 2023 (see OCC Information Memo #51770). The deliverable of JEF1 options is:

#### **NEW DELIVERABLE**

**PER CONTRACT:**

- 1) 100 Jefferies Financial Group Inc. (JEF) Common Shares
- 2) 11 Vitesse Energy, Inc. (VTS) Common Shares
- 3) Cash in lieu of 0.76930283 fractional VTS shares

As of January 19, 2023, the JEF Distribution Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a JEF1 price for use in expiration processing, OCC will use the following formula:

$$\text{JEF1} = \text{JEF} + 0.1176930283 (\text{VTS})$$

For example, if JEF closes at 37.97, and VTS closes at 15.56, the JEF1 price would be:

$$\text{JEF1} = 37.97 + 0.1176930283 (15.56) = 39.80$$

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

**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](mailto: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](mailto:memberservices@theocc.com).