



Date: September 12, 2023

Subject: Adjusted Liberty Formula One Series C – Cash In Lieu Settlement
Adjusted Option Symbol: FWOK2

Adjusted Liberty Formula One Series C options were adjusted on August 4, 2023 (See OCC Information Memo #52975). The new deliverable became 1) 100 Liberty Formula One (FWONK) Series C Common Shares, 2) 4 Liberty Live Series C (LLYVK) Series C Common Share, and 3) Cash in lieu of 0.28 fractional LLYVK Common Shares. Only settlement of the cash portion of FWOK2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$34.592648 per whole LLYVK share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.28 \times \$34.59 = \$9.69 \text{ per FWOK2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of August 4, 2023 through September 12, 2023, to deliver the appropriate cash amount.

The cash in lieu of fractional share portion of the option deliverable remains fixed and does not vary with price changes of any security.

Terms of the FWOK2 options are as follows:

New Deliverable

Per Contract: 1) 100 Liberty Formula One (FWONK) Series C Common Shares
2) 4 Liberty Live Series C (LLYVK) Series C Common Share
3) \$9.69 Cash

Strike Prices: Unchanged

CUSIPs: FWONK: 531229755
LLYVK: 531229722

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

Settlement

The FWONK and LLYVK components of FWOK2 exercise/assignment activity from August 4, 2023 through September 11, 2023, has settled through National Security Clearing Corporation (NSCC). The \$9.69 cash amount will be settled by OCC.

Pricing

The underlying price for FWOK2 will be determined as follows:

$$\text{FWOK2} = \text{FWONK} + 0.04 (\text{LLYVK}) + 0.0969$$

For example, if FWONK closes at 66.46 and LLYVK closes at 32.49, the FWOK2 price would be calculated as follows:

$$\text{FWOK2} = 66.46 + 0.04 (32.49) + 0.0969 = 67.86$$

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.