



**THE FOUNDATION
FOR SECURE
MARKETS®**

#53406

Date: October 19, 2023

Subject: KMED Options - Expiration Pricing Consideration

KMED (KraneShares Emerging Markets Healthcare Index ETF options) will be subject to special pricing consideration in expiration processing on October 20, 2023. The pricing consideration is due to the current suspended trading status of the KMED shares included in the KMED options deliverable. 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.

KMED

KMED options are KraneShares Emerging Markets Healthcare Index ETF options, which were delayed on October 19, 2023 (see OCC Information Memo #53343). The deliverable of KMED options is:

NEW DELIVERABLE

PER CONTRACT: 100 KraneShares Emerging Markets Healthcare Index ETF (KMED) Shares

As of October 19, 2023, KMED shares were suspended from trading on the NYSE, and OCC delayed settlement of all KMED exercise/assignment activity. The liquidation date for the fund will be on or around October 27, 2023.

For purposes of calculating KMED price for use in expiration processing, OCC will use the last trading price for KMED of \$18.81, therefore:

$$\text{KMED} = 18.81$$

This formula uses the last trading price for KMED and not the final distribution amount per share applicable in the liquidation.

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.