



**THE FOUNDATION  
FOR SECURE  
MARKETS®**

**#53465**

**Date:** October 31, 2023

**Subject:** Adjusted Fortress Biotech, Inc. - Cash In Lieu Settlement  
Adjusted Option Symbol: FBIO1

Adjusted Fortress Biotech, Inc. options were adjusted on October 10, 2023 (See OCC Information Memo #53333). The new deliverable became 1) 6 Fortress Biotech, Inc. (FBIO) Common Shares, and 2) Cash in lieu of approximately 0.6667 fractional FBIO Shares. Only settlement of the cash portion of FBIO1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$4.49 per whole FBIO share will be used to determine the cash in lieu amount at a rate of 0.6667. Accordingly, the cash in lieu amount is:

$$0.6667 \times \$4.49 = \$2.99 \text{ per FBIO1 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of October 10, 2023 through October 31, 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 FBIO1 options are as follows:

**New Deliverable**

**Per Contract:** 1) 6 Fortress Biotech, Inc. (FBIO) Common Shares  
2) \$2.99 Cash

**Strike Prices:** Unchanged

**CUSIP:** FBIO: 34960Q307

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

**Settlement**

The FBIO component of FBIO1 exercise/assignment activity from October 10, 2023 through October 30, 2023, has settled through National Security Clearing Corporation (NSCC). The \$2.99 cash amount will be settled by OCC.

## **Pricing**

The underlying price for FBIO1 will be determined as follows:

$$\text{FBIO1} = 0.06 (\text{FBIO}) + 0.0299$$

For example, if FBIO closes at 1.70, the FBIO1 price would be calculated as follows:

$$\text{FBIO1} = 0.06 (1.70) + 0.0299 = 0.13$$

## **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](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).