



Date: October 18, 2024

Subject: Adjusted Defiance Next Gen H2 ETF – Determination of Deliverable
Adjusted Option Symbol: HDRO1

Adjusted Defiance Next Gen H2 ETF options were adjusted on October 7, 2024 (See OCC Information Memo #55313). The new deliverable became 1) 12 Defiance Next Gen H2 ETF (HDRO) Shares and 2) Cash in lieu of 0.5 fractional HDRO Shares. Only settlement of the cash portion of HDRO1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that fractional shares have been dropped and cash in lieu of fractional shares will not be paid. Consequently, the terms of the HDRO1 options are as follows:

New Deliverable Per Contract: 12 Defiance Next Gen H2 ETF (HDRO) Shares

Strike Prices: Unchanged

CUSIP: HDRO: 26922B436

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

Settlement

The HDRO component of HDRO1 exercise/assignment activity from October 7, 2024 through October 17, 2024, has settled through National Security Clearing Corporation (NSCC).

Pricing

The underlying price for HDRO1 will be determined as follows:

$$\text{HDRO1} = 0.12 (\text{HDRO})$$

For example, if HDRO closes at 34.41, the HDRO1 price would be calculated as follows:

$$\text{HDRO1} = 0.12 (34.41) = 4.13$$

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. 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.