



**THE FOUNDATION
FOR SECURE
MARKETS**

#45340

DATE: JULY 12, 2019

**SUBJECT: ADJUSTED FRANCESCA'S HOLDINGS CORPORATION - CASH IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: FRAN1
ADJUSTED FUTURES SYMBOL: FRAN2D**

Adjusted Francesca's Holdings Corporation options and futures were adjusted on July 2, 2019 (See OCC Information Memos #45292 and #45293). The new deliverable became 1) 8 Francesca's Holdings Corporation (FRAN) Common Shares, and 2) Cash in lieu of approximately 0.3333 fractional FRAN shares. Only the cash portion of FRAN1 options exercise/assignment activity and FRAN2D futures settlement was subject to delayed settlement.

OCC has been informed that a price of \$5.28 per whole FRAN share will be used to determine the cash in lieu amount at a rate of 0.3333. Accordingly, the cash in lieu amount is:

$$0.3333 \times \$5.28 = \$1.76 \text{ per FRAN1 and FRAN2D Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of July 2, 2019 through July 12, 2019, to deliver the appropriate cash amount.

Terms of the FRAN1 options and FRAN2D futures are as follows:

New Deliverable Per Contract: 1) 8 Francesca's Holdings Corporation (FRAN) Common Shares
2) \$1.76 Cash

STRIKE PRICES: Unchanged

CUSIP: FRAN: 351793203

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

SETTLEMENT

The FRAN component of FRAN1 exercise/assignment activity and FRAN2D futures settlement from July 2, 2019 through July 11, 2019, has settled through National Security Clearing Corporation (NSCC). The \$1.76 cash amount will be settled by OCC.

PRICING

The underlying price for FRAN1 options and FRAN2D futures will be determined as follows:

$$\text{FRAN1} = 0.08 (\text{FRAN}) + 0.0176$$

For example, if FRAN closes at 4.29, the FRAN1 price would be calculated as follows:

$$\text{FRAN1} = 0.08 (4.29) + 0.0176 = 0.36$$

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, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.