DATE: JANUARY 16, 2020

SUBJECT: ADJUSTED SENIOR HOUSING PROPERTIES TRUST - CASH IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: DHC1
ADJUSTED FUTURES SYMBOL: DHC2D

Adjusted Senior Housing Properties Trust options and futures were adjusted on January 2, 2020 (See OCC Information Memo #46275). The new deliverable became 1) 100 Diversified Healthcare Trust (DHC) Common Shares, 2) 6 Five Star Senior Living Inc. (FVE) Common Shares, and 3) Cash in lieu of 0.7758 fractional FVE shares. Only the cash portion of DHC1 options exercise/assignment activity and DHC2D futures settlement activity was subject to delayed settlement.

OCC has been informed that a price of $3.71 per whole FVE share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

\[ 0.7758 \times \$3.71 = \$2.88 \] per DHC1 and DHC2D Contract

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of January 2, 2020 through January 16, 2020, to deliver the appropriate cash amount.

Terms of the DHC1 options and DHC2D futures are as follows:

New Deliverable Per Contract: 1) 100 Diversified Healthcare Trust (DHC) Common Shares
2) 6 Five Star Senior Living Inc. (FVE) Common Shares
3) $2.88 Cash

STRIKE PRICES: Unchanged

CUSIPS: DHC: 25525P107
FVE: 33832D205

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

SETTLEMENT

The DHC and FVE components of DHC1 exercise/assignment activity and DHC2D futures settlement activity from January 2, 2020 through January 15, 2020, has settled through National Security Clearing Corporation (NSCC). The $2.88 cash amount will be settled by OCC.
**PRICING**

The underlying price for DHC1 options and DHC2D futures will be determined as follows:

\[
DHC1 = DHC + 0.06 \times (FVE) + 0.0288
\]

For example, if DHC closes at 8.71 and FVE closes at 5.51, the DHC1 price would be calculated as follows:

\[
DHC1 = 8.71 + 0.06 \times (5.51) + 0.0288 = 9.07
\]

**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.