



**DATE: FEBRUARY 14, 2020**

**SUBJECT: CPFL ENERGIA S.A. – ADR TERMINATION/CASH  
SETTLEMENT/ACCELERATION OF EXPIRATIONS  
OPTION SYMBOL: CPL  
DATE: 1/28/20**

CPFL Energia S.A. (CPL) announced the termination of the Deposit Agreement for CPFL Energia S.A. American Depositary Receipts (“ADRs”) as of January 27, 2020 (“Termination Date”), thereby terminating the CPL ADR program.

As a result of the termination of the Deposit Agreement, holders of the CPL ADRs had until the Termination Date to exchange their ADRs for the underlying CPFL Energia S.A. Ordinary Shares. Any time after the Termination Date, the Depository may sell the underlying shares, and CPL ADRs that were not surrendered prior to the Termination Date will be converted into the right to receive the cash proceeds of the sale of those shares, less fees or withholdings, if any.

**The per share amount from the sale of the CPL ADSs was determined to be \$17.61617 (\$17.66617 less \$0.05 depository fee) Cash per ADS.**

The last day of trading for CPFL Energia S.A. ADRs on the NYSE was January 27, 2020.

### **CONTRACT ADJUSTMENT**

**The option symbol CPL will not change**

DATE: January 28, 2020

NEW DELIVERABLE  
PER CONTRACT: **\$1,761.62 Cash (\$17.61617 x 100)**

**CPL option exercise and assignment activity, which was subject to delayed settlement since January 28, 2020, are no longer subject to delayed settlement, effective February 14, 2020.**

Settlement in CPL options will take place through OCC’s cash settlement system. Settlement will be accomplished by payment of the difference between the extended strike amount and the cash deliverable.

### **ACCELERATION OF EXPIRATIONS**

Pursuant to OCC Rule 807, equity stock option contracts whose deliverables are adjusted to call for cash only delivery will be subject to an acceleration of the expiration dates for outstanding option series. (See OCC Information Memo 23707). Additionally, the exercise by exception (ex by ex) threshold for expiring

series will be \$.01 in all account types.

All series of CPFL Energia S.A. options whose expiration dates are after 2-21-2020 will have their expiration dates advanced to 2-21-2020. Expiration dates occurring before 2-21-2020 (e.g., Flex options) will remain unchanged.

All CPFL Energia S.A. options will utilize a \$.01 exercise threshold.

Option Symbol: CPL

Existing Expiration: All months

New expiration date: 2-21-2020

Existing American-style CPFL Energia S.A. options remain exercisable at the option of the holder prior to their expiration. Exercised options will continue to settle in two business days.

## **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](mailto: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](mailto:memberservices@theocc.com).