



**THE FOUNDATION
FOR SECURE
MARKETS**

#44717

DATE: MARCH 14, 2019

SUBJECT: AM1 OPTIONS - EXPIRATION PRICING CONSIDERATION

AM1 (adjusted Antero Midstream Partners LP options) will be subject to special pricing consideration in expiration processing on March 15, 2019. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of AM1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

AM1

AM1 options are adjusted Antero Midstream Partners LP options, adjusted March 13, 2019, (see OCC Information Memo #44703). The deliverable of AM1 options is:

NEW DELIVERABLE

PER CONTRACT:

- 1) 163 (New) Antero Midstream Corporation (AM) Common Shares
- 2) Cash in lieu of 0.50 fractional AM shares
- 3) \$341.50 Cash (\$3.415 x 100)

As of March 14, 2019, the AM Exchange Agent has not determined the price to be used to calculate the cash in lieu amount.

For purposes of calculating an AM1 price for use in expiration processing, OCC will use the following formula:

$$AM1 = 1.6350 (AM) + 3.415$$

For example, if AM closes at 12.54, the AM1 price would be:

$$AM1 = 1.6350 (12.54) + 3.415 = 23.92$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the merger.

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.