



**THE FOUNDATION
FOR SECURE
MARKETS**

#44728

DATE: MARCH 15, 2019

**SUBJECT: ADJUSTED APARTMENT INVESTMENT AND MANAGEMENT
COMPANY – DETERMINATION OF DELIVERABLE
ADJUSTED OPTION SYMBOL: AIV1
ADJUSTED FUTURES SYMBOL: AIV2D**

Adjusted Apartment Investment and Management Company options and futures were adjusted on February 21, 2019 (See OCC Information Memos #44588 and #44589). The new deliverable became 1) 96 Apartment Investment and Management Company (AIV) Class A Common Share, 2) Cash in lieu of approximately 0.975339 AIV shares, and 3) An additional amount of AIV Class A Common Shares, cash, or combination of both shares and cash, valued at approximately \$154.00 (\$1.54 x 100), based on the form of election distributed to non-electing shareholders. Settlement of the AIV and cash components of AIV1 options exercise/assignment activity and AIV2D futures settlement were subject to delayed settlement.

OCC has been informed that a price of \$49.86 per whole AIV share will be used to determine the cash in lieu amount at a rate of 0.975339. Accordingly, the cash in lieu amount is:

$$0.975339 \times \$49.86 = \$48.63 \text{ per AIV1 and AIV2D Contract}$$

OCC has not yet been informed of the final form of election to be received by non-electing shareholders.

Terms of the AIV1 options and AIV2D futures are as follows:

New Deliverable Per Contract:

- 1) 96 (New) Apartment Investment and Management Company (AIV) Class A Common Share
- 2) \$48.63 Cash
- 3) An additional amount of AIV Class A Common Shares, cash, or combination of both shares and cash, valued at approximately \$154.00 (\$1.54 x 100), based on the form of election distributed to non-electing shareholders

STRIKE PRICES: Unchanged

CUSIP: AIV: 03748R754

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

DELAYED SETTLEMENT

OCC will continue to delay settlement of the AIV component and the cash portion of the AIV1 and AIV2D deliverables until the final form of election to be received by non-electing shareholders is determined.

PRICING

Until the form of election to be received by non-electing shareholders is determined, the underlying price for AIV1 and AIV2D will be determined as follows:

$$\text{AIV1} = 0.96 (\text{AIV}) + 0.4863 + 1.54$$

For example, if AIV closes at 50.77, the AIV1 price would be calculated as follows:

$$\text{AIV1} = 0.96 (50.77) + 0.4863 + 1.54 = 50.77$$

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.