



#41202

DATE: MAY 19, 2017

**SUBJECT: MEMORIAL PRODUCTION PARTNERS LP – CONTRACT
ADJUSTMENT**
**OPTION SYMBOL: 5/5/17 – MEMPQ remains MEMPQ
5/8/17 – MEMPQ becomes MEMP1**
DATE: 5/5/17
*****SETTLEMENT UPDATE*****

On April 14, 2017, the United States Bankruptcy Court for the Southern District of Texas Houston Division confirmed the Second Amended Joint Chapter 11 Plan of Reorganization (“Plan”) for Memorial Production Partners LP (MEMP). The Plan became effective before the open on May 5, 2017, and MEMP shares were canceled. Memorial Production Partners LP changed its name to Amplify Energy Corporation, effective May 5, 2017. As a result of the plan becoming effective, MEMP shareholders are entitled to receive 0.00597288 (New) Amplify Energy Corporation Common Shares, 0.02596904 (New) Amplify Energy Corporation Warrants, and \$0.01493220 Cash for each MEMP share held. Fractional Amplify Energy Corporation Common shares and warrants will be rounded up or down to the nearest whole share.

Amplify Energy Corporation Common Shares began trading on an OTC Market on May 18, 2017, under the symbol “APFY”.

It is uncertain if a market for the Warrants will develop, and, if one does develop, under what trading symbol the Warrants will trade.

POSSIBLE SETTLEMENT PROCEDURES

After the Plan is effective, an OTC or OTCBB (Bulletin Board) market may develop in the U.S. for the Warrants, although there is no assurance this will happen. OCC anticipates that if an OTC or OTCBB market develops, NSCC will accept transactions in the warrants which arise as a result of option exercise and assignment activity. In that event, MEMP1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the warrants, OCC anticipates requiring broker to broker settlement for MEMP1 option exercise and assignment activity after the final distribution is determined.

Pursuant to customary OCC broker to broker settlement procedures, inability to effect delivery may subsequently occasion cash settlement as determined by OCC.

CONTRACT ADJUSTMENT

Effective Date: May 5, 2017

Option Symbol: 5/5/17 – MEMPQ remained MEMPQ (will adjusted deliverable described below)
5/8/7 – MEMPQ became MEMP1

Contract
Multiplier: 1

Strike Divisor: 1

New Multiplier: 100 (e.g., for premium or strike dollar extensions 1.00 will equal \$100)

New Deliverable
Per Contract: 1) 1 Amplify Energy Corporation (**APFY**) Common Shares (**no longer subject to delayed settlement**)
2) 3 Amplify Energy Corporation Warrants
3) \$1.49 Cash

CUSIP: **APFY:** 032113102
Warrants: 032113110

Settlement
Allocation: **APFY:** 50%
Warrants: 50%

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

DELAYED SETTLEMENT

The APFY component of the MEMP1 deliverable, which was delayed on May 5, 2017, is no longer delayed and will settle through National Security Clearing Corporation (NSCC). OCC will delay settlement of the Warrants component of the MEMP1 deliverable until the trading symbol and trading status are determined. Upon determination of the trading symbol and trading status, OCC will require Put exercisers and Call assignees to deliver the appropriate number of Warrants. The \$1.49 cash amount will be settled by OCC.

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 a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. 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.