



#41191

**DATE: MAY 18, 2017**

**SUBJECT: HNR OPTIONS - EXPIRATION PRICING CONSIDERATION**

HNR (Harvest Natural Resources, Inc. options) will be subject to special pricing consideration in expiration processing May 19, 2017. The pricing consideration is due to the potential additional liquidating distribution(s), if any, included in the option deliverable of HNR 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.

**HNR**

HNR options are Harvest Natural Resources, Inc. options, adjusted May 5, 2017, (see OCC Information Memo #41090). The deliverable of HNR options is:

NEW DELIVERABLE  
PER CONTRACT:

The total amount of the liquidating distribution(s) received by HNR shareholders, less fees if any, (x 100)

As of May 18, 2017, the HNR Distribution Agent has not yet determined the final liquidating distribution amount, applicable in the liquidation. At this time, there has been an initial liquidating distribution of \$5.75 per HNR Common Share.

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

$$\text{HNR} = 5.75$$

This formula includes an estimate for the value of the liquidating distribution(s) of HNR shares based on the initial per share liquidating distribution and not the final net cash amount per share applicable in the liquidation.

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).