



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#47863**

**DATE: NOVEMBER 19, 2020**

**SUBJECT: AIV1 OPTIONS - EXPIRATION PRICING CONSIDERATION**

AIV1 (adjusted Apartment Investment and Management Company options) will be subject to special pricing consideration in expiration processing on November 20, 2020. The pricing consideration is due to the undetermined number of additional AIV shares and/or amount of cash included in the option deliverable of AIV1 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.

**AIV1**

AIV1 options are adjusted Apartment Investment and Management Company options, adjusted November 3, 2020, (see OCC Information Memo #47767). The deliverable of AIV1 options is:

**NEW DELIVERABLE  
PER CONTRACT:**

- 1) 100 Apartment Investment and Management Company (AIV) Class A Common Shares
- 2) An additional amount of AIV Class A Common Shares, cash, or combination of both shares and cash, valued at approximately \$738.00 (\$7.38 x 100), based on the form of election distributed to non-electing shareholders
- 3) Cash in lieu of fractional AIV shares, if any

As of November 19, 2020, the AIV Distribution Agent has not determined the final net dividend amount.

For purposes of calculating a AIV1 price for use in expiration processing, OCC will use the following formula:

$$AIV1 = AIV + 7.38$$

For example, if AIV closes at 31.32, the AIV1 price would be:

$$AIV1 = 31.32 + 7.38 = 38.70$$

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

**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).