



**THE FOUNDATION
FOR SECURE
MARKETS**

#47966

DATE: DECEMBER 8, 2020

**SUBJECT: ADJUSTED APARTMENT INVESTMENT AND MANAGEMENT
COMPANY - CASH IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: AIV2**

Adjusted Apartment Investment and Management Company options were adjusted on December 1, 2020 (See OCC Information Memo #47919). The new deliverable became 1) 80 Apartment Investment and Management Company (AIV) Class A Common Shares, and 2) Cash in lieu of approximately 0.7617 fractional AIV shares. Only settlement of the cash portion of AIV2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$39.29 per whole AIV share will be used to determine the cash in lieu amount at a rate of 0.7617. Accordingly, the cash in lieu amount is:

$$0.7617 \times \$39.29 = \$29.93 \text{ per AIV2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of December 1, 2020 through December 8, 2020, to deliver the appropriate cash amount.

Terms of the AIV2 options are as follows:

New Deliverable Per Contract: 1) 80 Apartment Investment and Management Company (AIV)
Common Shares
2) \$29.93 Cash

STRIKE PRICES: Unchanged

CUSIP: AIV: 03748R747

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

SETTLEMENT

The AIV component of AIV2 exercise/assignment activity from December 1, 2020 through December 7, 2020, has settled through National Security Clearing Corporation (NSCC). The \$29.93 cash amount will be settled by OCC.

PRICING

The underlying price for AIV2 options will be determined as follows:

$$\text{AIV2} = 0.80 (\text{AIV}) + 0.2993$$

For example, if AIV closes at 41.22, the AIV2 price would be calculated as follows:

$$\text{AIV2} = 0.80 (41.22) + 0.2993 = 33.28$$

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.