



**THE FOUNDATION  
FOR SECURE  
MARKETS**

#44582

**DATE: FEBRUARY 15, 2019**

**SUBJECT: APARTMENT INVESTMENT AND MANAGEMENT COMPANY –  
REVERSE SPLIT/SPECIAL DIVIDEND (ELECTION)  
OPTION SYMBOL: AIV  
NEW SYMBOL: AIV1  
DATE: 2/21/19**

Apartment Investment and Management Company (AIV) has announced a 1 for 1.03119 Reverse Stock Split and a Special Dividend of approximately \$1.54 per share, payable in cash or stock at the election of the shareholder. As a result of the reverse split, each AIV Class A Common Share will be converted into the right to receive approximately 0.96975339 (New) Apartment Investment and Management Company (AIV) Class A Common Shares. Cash will be paid in lieu of fractional AIV shares resulting from the reverse stock split.

AIV Shareholders have the right to elect to receive the dividend in Class A Common Stock (share election) or cash (cash election), both subject to proration. The Election Deadline is 5:00 PM EST on March 8, 2019. **AIV Shareholders who fail to make an election will receive the dividend in a form that is to be determined.**

The reverse split will become effective before the market open on February 21, 2019. AIV will not be quoted ex-dividend on the NYSE and will trade without the value of the Special Dividend beginning on February 21, 2019.

**Exercise Consideration** – On February 21, 2019, AIV options will be become adjusted symbol AIV1. **The deliverable for AIV1 will reflect the amount of cash, stock, or a combination of both cash and stock distributed to shareholders who failed to make a valid election.** AIV Call option holders who do not wish to receive the Special Dividend in the form distributed to non-electing shareholders must exercise their options in sufficient time in advance of the contract adjustment to observe all conditions of the election. In all cases, it is the sole responsibility of persons holding call options seeking to participate in the election to determine when to exercise their options and to comply with all terms and conditions of the election.

### **CONTRACT ADJUSTMENT**

Effective Date: February 21, 2019

Option Symbol: AIV changes to AIV1

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) 96 (New) Apartment Investment and Management Company (AIV) Class A Common Share
- 2) Cash in lieu of approximately 0.975339 AIV shares
- 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

CUSIP:

AIV (New): 03748R754

## **PRICING**

Until the form of election to be received by non-electing shareholders and cash in lieu amount resulting from the reverse split are determined, the underlying price for AIV1 will be determined as follows:

$$\text{AIV1} = 0.96975339 (\text{AIV}) + 1.54$$

## **DELAYED SETTLEMENT**

OCC will delay settlement of the AIV component and the cash portion of the AIV1 deliverable until the final form of election to be received by non-electing shareholders and cash in lieu amount resulting from the reverse split are determined.

## **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](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).