



**THE FOUNDATION
FOR SECURE
MARKETS**

#44500

DATE: FEBRUARY 1, 2019

**SUBJECT: WILDHORSE RESOURCE DEVELOPMENT CORPORATION
(ELECTION MERGER) - CONTRACT ADJUSTMENT
OPTION SYMBOL: 2/1/19 – WRD remains WRD
2/4/19 – WRD becomes CHK1
DATE: 2/1/19**

On January 31, 2019, Shareholders of WildHorse Resource Development Corporation (WRD) voted concerning the proposed merger with Chesapeake Energy Corporation (CHK). The subsequent merger was approved and subsequently consummated before the open on February 1, 2019.

CONTRACT ADJUSTMENT

DATE: February 1, 2019

OPTION SYMBOL: 2/1/19 - WRD remains WRD (with adjusted deliverable described below)
2/4/19 – WRD becomes CHK1

STRIKE DIVISOR: 1

CONTRACT MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., for premium or strike price extensions, 1.00 equals \$100)

NEW DELIVERABLE PER CONTRACT: 1) 598 Chesapeake Energy Corporation (CHK) Common Shares
2) Cash in lieu of 0.9 fractional CHK shares

CUSIP: CHK: 165167107

PRICING

Until the cash in lieu amount is determined, the underlying price for CHK1 will be determined as follows:

$$\text{CHK1} = 5.989 \text{ (CHK)}$$

DELAYED SETTLEMENT

The CHK component of the CHK1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CHK1 deliverable until the cash in lieu of

fractional CHK shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

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.