



#38963

DATE: MAY 17, 2016

SUBJECT: CHARTER COMMUNICATIONS, INC. - CONTRACT ADJUSTMENT
OPTION SYMBOLS: CHTR/1CHTR/2CHTR
NEW OPTION SYMBOLS: CHTR1/1CHTR1/2CHTR1
FUTURES SYMBOLS: CHTR1D/CHTR3W/CHTR3H/CHTR3F/
CHTR4M/CHTR4T
NEW FUTURES SYMBOLS: CHTR2D/CHTR6W/CHTR6H/CHTR6F/
CHTR6M/CHTR6T
DATE: 5/18/16

Contract Adjustment

DATE: May 18, 2016

OPTION SYMBOLS: CHTR changes to CHTR1
1CHTR changes to 1CHTR1
2CHTR changes to 2CHTR1

STRIKE DIVISOR: 1

**CONTRACTS
MULTIPLIER:** 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 200.00 yields \$20,000.00)

**NEW DELIVERABLE
PER CONTRACT:** 1) 90 (New) Charter Communications, Inc. (CHTR) Class A Common Shares
2) Cash in lieu of 0.42 fractional CHTR shares

CUSIP: (New) CHTR: 16119P108

PRICING

Until the cash in lieu amount is determined, the underlying price for CHTR1/1CHTR1/2CHTR1 will be determined as follows:

$$\text{CHTR1} = 0.9042 (\text{CHTR})$$

DELAYED SETTLEMENT

The CHTR component of the CHTR1/1CHTR1/2CHTR1 deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CHTR1/1CHTR1/2CHTR1 deliverables until the cash in lieu of fractional CHTR 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.

Futures Contract Adjustment

DATE: May 18, 2016

FUTURES SYMBOLS: CHTR1C changes to CHTR2C
CHTR1D changes to CHTR2D
CHTR3W changes to CHTR6W
CHTR3H changes to CHTR6H
CHTR3F changes to CHTR6F
CHTR4M changes to CHTR6M
CHTR4T changes to CHTR6T

NUMBER OF
CONTRACTS: No Change

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

NEW DELIVERABLE
PER CONTRACT: 1) 90 (New) Charter Communications, Inc. (CHTR) Class A Common Shares
2) Cash in lieu of 0.42 fractional CHTR shares

CUSIP: (New) CHTR: 16119P108

PRICING

Until the cash in lieu amount is determined, the underlying price for the CHTR2C/CHTR2D/all weekly Futures contract deliverables, expressed in term of current market value, would be calculated as follows:

$$\text{CHTR2C} = 0.9042 (\text{CHTR})$$

Please note that the valuation would apply only to the CHTR2C/CHTR2D/all weekly futures contracts deliverable in terms of current market value of the deliverable securities. The resulting price would not be equivalent to the daily settlement price of a futures contract month, whose determination would include cost of money carrying charges, adjustment for dividends, and other factors.

DELAYED SETTLEMENT

The CHTR component of the CHTR2C/CHTR2D/all weekly futures deliverables will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CHTR2C/CHTR2D/all weekly futures deliverables until the cash in lieu of fractional CHTR shares is determined. Upon determination of the cash in lieu amount, OCC will require delivery of the appropriate cash amount.

BACKGROUND

On September 21, 2015, Shareholders of Charter Communications, Inc. (CHTR) approved the proposed merger with Time Warner Inc. (TWC) and the reorganization of Charter Communications, Inc. **The reorganization of Charter Communications, Inc. (CHTR) will become effective before the opening of business on May 18, 2016.** As a result, each existing CHTR Common Share will be converted into the right to receive 0.9042 (New) CHTR Class A Common Shares. Cash will be paid in lieu of fractional shares.

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 a panel of The OCC Securities Committee pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The adjustment panel is comprised of representatives from OCC and each exchange which trades the affected option. 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.