



#42476

DATE: JANUARY 12, 2018

SUBJECT: ADJUSTED SELLAS LIFE SCIENCES GROUP, INC. - CASH IN LIEU
SETTLEMENT
ADJUSTED OPTION SYMBOL: SLS2

Adjusted SELLAS Life Sciences Group, Inc. (formerly Galena Biopharma, Inc.) options were adjusted on January 2, 2018 (See OCC Information Memo #42417). The new deliverable became 1) 3 SELLAS Life Sciences Group, Inc. (SLS) Common Shares, and 2) Cash in lieu of approximately 0.3333 fractional SLS Shares. Only settlement of the cash portion of SLS2 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that a price of \$5.20 per whole SLS share will be used to determine the cash in lieu amount at a rate of 0.3333. Accordingly, the cash in lieu amount is:

$$0.3333 \times \$5.20 = \$1.73 \text{ per SLS2 Contract}$$

Now that the exact cash in lieu amount has been determined, OCC will require Put exercisers and Call assignees, during the period of January 2, 2018 through January 12, 2018, to deliver the appropriate cash amount.

Terms of the SLS2 options are as follows:

New Deliverable Per Contract: 1) 3 SELLAS Life Sciences Group, Inc. (SLS) Common Shares
2) \$1.73 Cash

STRIKE PRICES: Unchanged

CUSIP: SLS: 81642T100

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

SETTLEMENT

The SLS component of SLS2 exercise/assignment activity from January 2, 2018 through January 11, 2018, has settled through National Security Clearing Corporation (NSCC). The \$1.73 cash amount will be settled by OCC.

PRICING

The underlying price for SLS2 options will be determined as follows:

$$\text{SLS2} = 0.03 (\text{SLS}) + 0.0173$$

For example, if SLS closes at 7.56, the SLS2 price would be calculated as follows:

$$\text{SLS2} = 0.03 (7.56) + 0.0173 = 0.24$$

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.