



#40457

DATE: JANUARY 10, 2017

SUBJECT: COLONY CAPITAL, INC. - CONTRACT ADJUSTMENT
OPTION SYMBOL: CLNY
NEW SYMBOL: CLNS1
DATE: 1/11/17

Contract Adjustment

DATE: January 11, 2017

OPTION SYMBOL: CLNY changes to CLNS1

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 20 yields \$2,000.00)

NEW DELIVERABLE PER CONTRACT: 1) 146 Colony NorthStar, Inc. (CLNS) Class A Common Shares
2) Cash in lieu of 0.63 fractional CLNS shares

CUSIP: (New) CLNS: 19625W104

PRICING

Until the cash in lieu amount is determined, the underlying price for CLNS1 will be determined as follows:

$$\text{CLNS1} = 1.4663 (\text{CLNS})$$

DELAYED SETTLEMENT

The CLNS component of the CLNS1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CLNS1 deliverable until the cash in lieu of fractional CLNS 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.

BACKGROUND

On December 20, 2016, Shareholders of Colony Capital, Inc. (CLNY) voted concerning the proposed merger agreement with NorthStar Asset Management Group Inc. (NSAM) and NorthStar Realty Finance Corporation (NRF), in which the three companies will merge into a new company, Colony NorthStar, Inc., which is a subsidiary of NSAM. The merger agreement was also subject to NSAM and NRF shareholder approval on December 20, 2016, and the merger of each company into Colony NorthStar, Inc. was contingent upon the

approval and consummation of the mergers of the other two companies into Colony NorthStar, Inc. The mergers were approved and subsequently consummated on January 10, 2017. As a result, each existing CLNY Common Share will be converted into the right to receive 1.4663 Colony NorthStar, Inc. Common Shares. Cash will be paid in lieu of fractional Colony NorthStar, Inc. shares.

Colony NorthStar, Inc. Common Shares will be listed on the New York Stock Exchange under the trading symbol "CLNS".

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.