



#40458

**DATE: JANUARY 10, 2017**

**SUBJECT: NORTHSTAR ASSET MANAGEMENT GROUP, INC. – CONTRACT  
ADJUSTMENT  
OPTION SYMBOL: NSAM  
NEW SYMBOL: CLNS4  
FUTURES SYMBOL: NSAM1D  
NEW SYMBOL: NSAM2D  
DATE: 1/11/17**

On December 20, 2016, Shareholders of NorthStar Asset Management Group, Inc. approved a mandatory exchange due to a Redomestication Merger into its subsidiary, Colony NorthStar, Inc. NorthStar Asset Management Group, Inc. (NSAM) NorthStar Realty Finance Corporation (NRF), and Colony Capital, Inc. (CLNY) have all entered into an Agreement and Plans of Merger, in which all three companies will combine into Colony NorthStar, Inc. The NSAM mandatory exchange was conditional on NSAM, NRF, and CLNY shareholder approvals of each merger transaction, which were described in the Proxy Statement dated November 18, 2016.

The mergers were approved and subsequently consummated on January 10, 2017. As a result, each existing NSAM Common Share will be converted into one (1) (New) Colony NorthStar, Inc. (CLNS) Class A Common Share. Option symbol NSAM will change to CLNS effective January 11, 2017.

Additionally, NSAM has announced a one-time special dividend of approximately \$1.16 per NSAM share, which was contingent on the closing of the merger into Colony NorthStar, Inc. The record date for the special dividend is January 3, 2017. NSAM Common Shares, under the new name of Colony NorthStar, Inc., will begin trading ex-dividend on January 11, 2017.

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

**CONTRACT ADJUSTMENT - OPTIONS**

DATE: January 11, 2017

OPTION SYMBOL: NSAM changes to CLNS4

CONTRACT  
MULTIPLIER: 1

STRIKE DIVISOR: 1

NEW MULTIPLIER: 100

DELIVERABLE

PER CONTRACT: 1) 100 Colony NorthStar, Inc. (CLNS) Class A Common Shares  
2) Approximately \$116.00 Cash (approximate \$1.16 special dividend x 100)

CUSIP: CLNS (New): 19625W104

### **PRICING**

Until the final net special dividend amount is determined, the underlying price for CLNS4 will be determined as follows:

$$\text{CLNS4} = \text{CLNS} + 1.16$$

### **DELAYED SETTLEMENT**

The CLNS component of the CLNS4 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the CLNS4 deliverable until the final net special dividend amount is determined. Upon determination of the final net special dividend amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

### **CONTRACT ADJUSTMENT - FUTURES**

DATE: January 11, 2017

FUTURES SYMBOL: NSAM1D changes to NSAM2D

SETTLEMENT PRICES: No change

NUMBER OF CONTRACTS: No change

MULTIPLIER: 100

DELIVERABLE PER CONTRACT: 1) 100 Colony NorthStar, Inc. (CLNS) Class A Common Shares  
2) Approximately \$116.00 Cash (approximately \$1.16 special dividend x 100)

CUSIP: CLNS (New): 19625W104

### **PRICING**

Until the final net special dividend amount is determined, the underlying price for the NSAM2D Futures contract deliverable, expressed in term of current market value, would be calculated as follows:

$$\text{NSAM2D} = \text{CLNS} + 1.16$$

Please note that the valuation would apply only to the NSAM2D 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 CLNS component of the NSAM2D deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the NSAMD deliverable until the final net special

dividend amount is determined. Upon determination of final dividend amount, OCC will require delivery of 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 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](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).