



#41022

DATE: APRIL 20, 2017

SUBJECT: QTM1 OPTIONS - EXPIRATION PRICING CONSIDERATION

QTM1 (Adjusted Quantum Corporation options) will be subject to special pricing consideration in expiration processing on April 21, 2017. The pricing consideration is due to the undetermined cash in lieu amount included in the option deliverable of QTM1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

QTM1

QTM1 options are adjusted Quantum Corporation options, adjusted April 19, 2017, (see OCC Information Memo #41004). The deliverable of QTM1 options is:

NEW DELIVERABLE

- PER CONTRACT:
- 1) 12 Quantum Corporation (QTM) Common Shares
 - 2) Cash in lieu of 0.5 fractional QTM shares

As of April 20, 2017, the QTM Exchange Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a QTM1 price for use in expiration processing, OCC will use the following formula:

$$\text{QTM1} = 0.125 (\text{QTM})$$

For example, if QTM closes at 7.09, the QTM1 price would be:

$$\text{QTM1} = 0.125 (7.09) = 0.89$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual cash in lieu amount applicable in the reverse split.

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.