



#40309

DATE: DECEMBER 16, 2016

SUBJECT: NOVELION THERAPEUTICS INC. - FURTHER ADJUSTMENT
ADJUSTED OPTION SYMBOL: NVLN1
DATE: 12/19/16

QLT Inc. (QLTI) options were adjusted on November 15, 2016 (See OCC Information Memo #40084). The new deliverable became 1) 100 QLT Inc. (QLTI) Common Shares, 2) 100 DOJ/SEC Matter Warrants, and 3) 100 Class Action Lawsuit Warrants.

QLT Inc. (QLTI) changed its name, trading symbol and CUSIP to Novelon Therapeutics Inc. (NVLN), CUSIP 67001K103, on November 30, 2016 (See OCC Information Memo #40173). The new deliverable became 1) 100 Novelon Therapeutics Inc. (NVLN) Common Shares, 2) 100 DOJ/SEC Matter Warrants, and 3) 100 Class Action Lawsuit Warrants.

Novelon Therapeutics Inc. (NVLN) has announced a 1-for-5 reverse stock split. As a result of the reverse stock split, each NVLN Share will be converted into the right to receive 0.20 (New) Novelon Therapeutics Inc. Common Shares. The reverse stock split will become effective at the market open on December 19, 2016.

As a result, adjusted NVLN1 options must be further adjusted to reflect the reverse split as described below.

CONTRACT ADJUSTMENT

EFFECTIVE DATE: December 19, 2016

OPTION SYMBOLS: NVLN1 remains NVLN1

CONTRACT MULTIPLIER: 1

STRIKE DIVISOR: 1

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 1.00 yields \$100.00)

NEW DELIVERABLE PER CONTRACT:

- 1) 20 (New) Novelon Therapeutics Inc. (NVLN) Common Shares
- 2) 100 DOJ/SEC Matter Warrants
- 3) 100 Class Action Lawsuit Warrants

CUSIPS:

- NVLN: (New) 67001K202
- DOJ/SEC Matter Warrants: TBD
- Class Action Lawsuit Warrants: TBD

PRICING

The underlying price for NVLN1 will be determined as follows:

$$\text{NVLN1} = .20 (\text{NVLN}) + \text{DOJ/SEC Matter Warrants} + \text{Class Action Warrants}$$

DELAYED SETTLEMENT

The NVLN component of the NVLN1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the DOJ/SEC Matter Warrants and Class Action Lawsuit Warrants components of the NVLN1 deliverable until the trading status of the Warrants is determined. Upon determination of the trading status of the Warrants, OCC will require Put exercisers and Call assignees to deliver the appropriate number of warrants.

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.