



**THE FOUNDATION
FOR SECURE
MARKETS**

#49130

Date: August 12, 2021

Subject: Adjusted XBiotech Inc. – Cash Distribution Settlement
Adjusted Option Symbol: XBIT1

Adjusted XBiotech Inc. options were adjusted on July 15, 2021 (See OCC Information Memo #48965). The new deliverable became 1) 100 XBiotech Inc. (XBIT) Common Shares, and 2) Approximately \$250.00 Cash. Only settlement of the cash portion of XBIT1 options exercise/assignment activity was subject to delayed settlement.

OCC has been informed that the final net special dividend amount is \$2.0995 (\$2.47 less \$0.3705 withholdings) per XBIT share held.

Now that the final net special dividend amount has been determined, OCC will require Put exercisers and Call assignees, during the period of July 15, 2021 through August 12, 2021, to deliver the appropriate cash amount.

Terms of the XBIT1 options are as follows:

New Deliverable

Per Contract: 1) 100 XBiotech Inc. (XBIT) Common Shares
2) \$209.95 Cash (\$2.0995 x 100)

Strike Prices: Unchanged

CUSIP: XBIT: 98400H102

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

Settlement

The XBIT component of XBIT1 exercise/assignment activity from July 15, 2021 through August 11, 2021, has settled through National Security Clearing Corporation (NSCC). The \$209.95 cash amount will be settled by OCC.

Pricing

The underlying price for XBIT1 options will be determined as follows:

$$\text{XBIT1} = \text{XBIT} + 2.0995$$

For example, if XBIT closes at 16.18, the XBIT1 prices would be calculated as follows:

$$\text{XBIT1} = 16.18 + 2.0995 = 18.28$$

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 OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. 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.