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#52203

**Date:** March 30, 2023

**Subject:** iStar Inc. - Contract Adjustment  
Option Symbol: STAR  
New Symbol: SAFE2  
Date: 03/31/2023

On March 9, 2023, iStar Inc. (STAR) Shareholders voted concerning the proposed merger with Safehold Inc. (SAFE). The merger was approved and subsequently consummated before the open on March 31, 2023. STAR will continue as the surviving corporation operating under the name Safehold Inc. ("New SAFE").

Prior to the effective time of the merger, STAR separated its remaining legacy non-ground lease assets and businesses into a separate publicly traded company, Star Holdings, and distributed to STAR shareholders, on a pro rata basis, all of Star Holdings issued and outstanding common shares of beneficial interest. **The distribution rate will be 0.153 Star Holdings (STHO) Common Shares per existing STAR share held.** Cash will be paid in lieu of fractional shares, if any, resulting from the distribution.

Star Holdings will begin trading on NASDAQ on March 31, 2023, under the trading symbol "STHO".

Following the STHO distribution and immediately prior to the merger, each STAR share was consolidated, by means of a reverse stock split, into a number of shares equal to the STAR share consolidation ratio ("Consolidation Ratio"), calculated as described in the SAFE/STAR Proxy Statement/Prospectus dated January 30, 2023 ("Proxy"). **The Consolidation Ratio is 0.16 New STAR shares per existing STAR share held.** Cash will be paid in lieu of fractional shares, if any, resulting from the reverse split. Each share of New STAR common stock issued and outstanding immediately following the reverse split will remain outstanding as a share of New SAFE common stock. Shares of New SAFE common stock will be traded on the New York Stock Exchange under the ticker symbol "SAFE."

In the merger, holders of existing SAFE shares will have the right to receive one newly issued post-split share of New SAFE for each SAFE share held.

Note: As described in the Proxy, STAR and SAFE may declare and pay a dividend to shareholders to maintain their qualification as a REIT. If one party declares a REIT dividend, the other party can declare a dividend per share in the same amount, as adjusted by the exchange ratio. In connection with the closing of the merger, STAR and SAFE will declare closing pro-rata dividends to their respective shareholders, the record date and, to the extent practicable, the payment date for each of which will be the close of business on the last business day prior to the closing of the merger. OCC will not adjust the SAFE2 deliverable to include any ordinary distributions.

#### Contract Adjustment

<b>Date:</b>	March 31, 2023
<b>Option Symbol:</b>	STAR changes to SAFE2
<b>Strike Divisor:</b>	1
<b>Contract Multiplier:</b>	1
<b>New Multiplier:</b>	100 (e.g., a premium of 1.50 yields \$150; a strike of 10.00 yields \$1,000.00)
<b>New Deliverable Per Contract:</b>	1) 15 (New) Star Holdings (STHO) Common Shares 2) Cash in lieu of 0.3 fractional STHO shares 3) 16 (New) Safehold Inc. (SAFE) Common Shares  Note: Once determined, the cash in lieu of fractional share portion of the option deliverable will remain fixed and will not vary with price changes of any security.
<b>Settlement Allocation:</b>	(New) STHO: 40% (New) SAFE: 60%
<b>CUSIPs:</b>	(New) STHO: 85512G106 (New) SAFE: 78646V107

THE SETTLEMENT ALLOCATION OF THE TOTAL STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITY CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

### **Pricing**

Until the cash in lieu amount is determined, the underlying price for SAFE2 will be determined as follows:

$$\text{SAFE2} = 0.153 (\text{STHO}) + 0.16 (\text{SAFE})$$

### **Delayed Settlement**

The STHO and SAFE components of the SAFE2 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the SAFE2 deliverable until the cash in lieu of fractional STHO Common 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.

### **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, please email the Investor Education team at [options@theoocc.com](mailto:options@theoocc.com). Clearing Member Firms of OCC may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email [memberservices@theoocc.com](mailto:memberservices@theoocc.com).