



Date: July 09, 2021

Subject: XBiotech Inc. – Cash Distribution
Option Symbol: XBIT
New Option Symbol: XBIT1
Date: 07/15/2021

XBiotech Inc. (XBIT) has announced a Special Cash Dividend of approximately \$2.50 per XBIT Common Share. The record date is July 16, 2021; payable date is July 23, 2021. The ex-distribution date for this distribution will be July 15, 2021.

Options Contract Adjustment

Effective Date: July 15, 2021

New Multiplier: 100 (e.g., for premium extensions a premium of 1.50 equals \$150; a strike of 17.50 yields \$1,750.00).

Contract Multiplier: 1

Strike Prices: No Change

Option Symbol: XBIT changes to XBIT1

Deliverable Per Contract:
1) 100 XBiotech Inc. (XBIT) Common Shares
2) Approximately \$250.00 Cash (\$2.50 x 100)

CUSIP: 98400H102

Pricing

Until the final net cash dividend amount is determined, the underlying price for XBIT1 will be determined as follows:

$$\text{XBIT1} = \text{XBIT} + 2.50$$

Delayed Settlement

The XBIT component of the XBIT1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the XBIT1 deliverable until exact cash amount is

determined. Upon determination of the exact cash 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, 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.