

**NORTHSTAR REALTY FINANCE CORP. - REVERSE SPLIT AND DISTRIBUTION**

*** UPDATE ***

DESCRIPTION:

NorthStar Realty Finance Corp. (NRF) has announced a 1-for-2 reverse stock split and a distribution of NorthStar Asset Management Group (NSAM) Common Shares to NRF shareholders. The distribution of NSAM common shares will be effected on a 0.5-for-1 basis on pre-reverse split NRF shares. As a result of the reverse stock split and distribution, each NRF Common Share will be converted into the right to receive 0.50 (New) NorthStar Realty Finance Corp. (NRF) Common Shares plus 0.50 NorthStar Asset Management Group Inc. (NSAM) Common Shares. The distribution and reverse split will be effective before the open on July 1, 2014.

NorthStar Asset Management Group Inc. Common Shares are expected to begin trading on a when issued basis on June 27, 2014 on NYSE under the trading symbol NSAM WI.

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date: 07/01/2014

Option Symbol: NRF becomes NRF1

Underlying Security: NRF becomes NRF1

CUSIP: 66705Y104, 66704R704

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100

Settlement Allocation: 50%, 50%

New Deliverable: 50 NorthStar Asset Management Group Inc. (NSAM) Common Shares
50 (New) NorthStar Realty Finance Corp. (NRF) Common Shares

On Monday, June 30, 2014, immediately after the BOX close, all resting orders for NRF in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the new NRF1 series, the BOX Participant will need to reenter the orders before the open on Tuesday, July 1, 2014.

Pricing Considerations: The underlying price for NRF1 will be determined as follows:

$$\text{NRF1} = 0.50 (\text{NRF}) + 0.50 (\text{NSAM})$$

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NRF	C/P	8.00	07/19/2014	NRF1	C/P	8.00	07/19/2014
NRF	C/P	9.00	07/19/2014	NRF1	C/P	9.00	07/19/2014
NRF	C/P	10.00	07/19/2014	NRF1	C/P	10.00	07/19/2014
NRF	C/P	11.00	07/19/2014	NRF1	C/P	11.00	07/19/2014
NRF	C/P	12.00	07/19/2014	NRF1	C/P	12.00	07/19/2014
NRF	C/P	13.00	07/19/2014	NRF1	C/P	13.00	07/19/2014
NRF	C/P	14.00	07/19/2014	NRF1	C/P	14.00	07/19/2014
NRF	C/P	15.00	07/19/2014	NRF1	C/P	15.00	07/19/2014
NRF	C/P	16.00	07/19/2014	NRF1	C/P	16.00	07/19/2014

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NRF	C/P	17.00	07/19/2014	NRF1	C/P	17.00	07/19/2014
NRF	C/P	18.00	07/19/2014	NRF1	C/P	18.00	07/19/2014
NRF	C/P	19.00	07/19/2014	NRF1	C/P	19.00	07/19/2014
NRF	C/P	20.00	07/19/2014	NRF1	C/P	20.00	07/19/2014
NRF	C/P	21.00	07/19/2014	NRF1	C/P	21.00	07/19/2014
NRF	C/P	22.00	07/19/2014	NRF1	C/P	22.00	07/19/2014
NRF	C/P	23.00	07/19/2014	NRF1	C/P	23.00	07/19/2014
NRF	C/P	24.00	07/19/2014	NRF1	C/P	24.00	07/19/2014
NRF	C/P	9.00	08/16/2014	NRF1	C/P	9.00	08/16/2014
NRF	C/P	10.00	08/16/2014	NRF1	C/P	10.00	08/16/2014
NRF	C/P	11.00	08/16/2014	NRF1	C/P	11.00	08/16/2014
NRF	C/P	12.00	08/16/2014	NRF1	C/P	12.00	08/16/2014
NRF	C/P	13.00	08/16/2014	NRF1	C/P	13.00	08/16/2014
NRF	C/P	14.00	08/16/2014	NRF1	C/P	14.00	08/16/2014
NRF	C/P	15.00	08/16/2014	NRF1	C/P	15.00	08/16/2014
NRF	C/P	16.00	08/16/2014	NRF1	C/P	16.00	08/16/2014
NRF	C/P	17.00	08/16/2014	NRF1	C/P	17.00	08/16/2014
NRF	C/P	18.00	08/16/2014	NRF1	C/P	18.00	08/16/2014
NRF	C/P	19.00	08/16/2014	NRF1	C/P	19.00	08/16/2014
NRF	C/P	20.00	08/16/2014	NRF1	C/P	20.00	08/16/2014
NRF	C/P	21.00	08/16/2014	NRF1	C/P	21.00	08/16/2014
NRF	C/P	22.00	08/16/2014	NRF1	C/P	22.00	08/16/2014
NRF	C/P	23.00	08/16/2014	NRF1	C/P	23.00	08/16/2014
NRF	C/P	24.00	08/16/2014	NRF1	C/P	24.00	08/16/2014
NRF	C/P	25.00	08/16/2014	NRF1	C/P	25.00	08/16/2014
NRF	C/P	5.00	09/20/2014	NRF1	C/P	5.00	09/20/2014
NRF	C/P	6.00	09/20/2014	NRF1	C/P	6.00	09/20/2014
NRF	C/P	7.00	09/20/2014	NRF1	C/P	7.00	09/20/2014
NRF	C/P	8.00	09/20/2014	NRF1	C/P	8.00	09/20/2014
NRF	C/P	9.00	09/20/2014	NRF1	C/P	9.00	09/20/2014
NRF	C/P	10.00	09/20/2014	NRF1	C/P	10.00	09/20/2014
NRF	C/P	11.00	09/20/2014	NRF1	C/P	11.00	09/20/2014
NRF	C/P	12.00	09/20/2014	NRF1	C/P	12.00	09/20/2014
NRF	C/P	13.00	09/20/2014	NRF1	C/P	13.00	09/20/2014
NRF	C/P	14.00	09/20/2014	NRF1	C/P	14.00	09/20/2014
NRF	C/P	15.00	09/20/2014	NRF1	C/P	15.00	09/20/2014
NRF	C/P	16.00	09/20/2014	NRF1	C/P	16.00	09/20/2014
NRF	C/P	17.00	09/20/2014	NRF1	C/P	17.00	09/20/2014
NRF	C/P	18.00	09/20/2014	NRF1	C/P	18.00	09/20/2014
NRF	C/P	19.00	09/20/2014	NRF1	C/P	19.00	09/20/2014
NRF	C/P	20.00	09/20/2014	NRF1	C/P	20.00	09/20/2014
NRF	C/P	21.00	09/20/2014	NRF1	C/P	21.00	09/20/2014
NRF	C/P	22.00	09/20/2014	NRF1	C/P	22.00	09/20/2014
NRF	C/P	23.00	09/20/2014	NRF1	C/P	23.00	09/20/2014
NRF	C/P	24.00	09/20/2014	NRF1	C/P	24.00	09/20/2014

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NRF	C/P	25.00	09/20/2014	NRF1	C/P	25.00	09/20/2014
NRF	C/P	5.00	12/20/2014	NRF1	C/P	5.00	12/20/2014
NRF	C/P	6.00	12/20/2014	NRF1	C/P	6.00	12/20/2014
NRF	C/P	7.00	12/20/2014	NRF1	C/P	7.00	12/20/2014
NRF	C/P	8.00	12/20/2014	NRF1	C/P	8.00	12/20/2014
NRF	C/P	9.00	12/20/2014	NRF1	C/P	9.00	12/20/2014
NRF	C/P	10.00	12/20/2014	NRF1	C/P	10.00	12/20/2014
NRF	C/P	11.00	12/20/2014	NRF1	C/P	11.00	12/20/2014
NRF	C/P	12.00	12/20/2014	NRF1	C/P	12.00	12/20/2014
NRF	C/P	13.00	12/20/2014	NRF1	C/P	13.00	12/20/2014
NRF	C/P	14.00	12/20/2014	NRF1	C/P	14.00	12/20/2014
NRF	C/P	15.00	12/20/2014	NRF1	C/P	15.00	12/20/2014
NRF	C/P	16.00	12/20/2014	NRF1	C/P	16.00	12/20/2014
NRF	C/P	17.00	12/20/2014	NRF1	C/P	17.00	12/20/2014
NRF	C/P	18.00	12/20/2014	NRF1	C/P	18.00	12/20/2014
NRF	C/P	19.00	12/20/2014	NRF1	C/P	19.00	12/20/2014
NRF	C/P	20.00	12/20/2014	NRF1	C/P	20.00	12/20/2014
NRF	C/P	21.00	12/20/2014	NRF1	C/P	21.00	12/20/2014
NRF	C/P	22.00	12/20/2014	NRF1	C/P	22.00	12/20/2014
NRF	C/P	23.00	12/20/2014	NRF1	C/P	23.00	12/20/2014
NRF	C/P	24.00	12/20/2014	NRF1	C/P	24.00	12/20/2014
NRF	C/P	25.00	12/20/2014	NRF1	C/P	25.00	12/20/2014
NRF	C/P	3.00	01/17/2015	NRF1	C/P	3.00	01/17/2015
NRF	C/P	4.00	01/17/2015	NRF1	C/P	4.00	01/17/2015
NRF	C/P	5.00	01/17/2015	NRF1	C/P	5.00	01/17/2015
NRF	C/P	6.00	01/17/2015	NRF1	C/P	6.00	01/17/2015
NRF	C/P	7.00	01/17/2015	NRF1	C/P	7.00	01/17/2015
NRF	C/P	9.00	01/17/2015	NRF1	C/P	9.00	01/17/2015
NRF	C/P	10.00	01/17/2015	NRF1	C/P	10.00	01/17/2015
NRF	C/P	11.00	01/17/2015	NRF1	C/P	11.00	01/17/2015
NRF	C/P	12.00	01/17/2015	NRF1	C/P	12.00	01/17/2015
NRF	C/P	14.00	01/17/2015	NRF1	C/P	14.00	01/17/2015
NRF	C/P	15.00	01/17/2015	NRF1	C/P	15.00	01/17/2015
NRF	C/P	16.00	01/17/2015	NRF1	C/P	16.00	01/17/2015
NRF	C/P	17.00	01/17/2015	NRF1	C/P	17.00	01/17/2015
NRF	C/P	19.00	01/17/2015	NRF1	C/P	19.00	01/17/2015
NRF	C/P	20.00	01/17/2015	NRF1	C/P	20.00	01/17/2015
NRF	C/P	21.00	01/17/2015	NRF1	C/P	21.00	01/17/2015
NRF	C/P	22.00	01/17/2015	NRF1	C/P	22.00	01/17/2015
NRF	C/P	24.00	01/17/2015	NRF1	C/P	24.00	01/17/2015
NRF	C/P	25.00	01/17/2015	NRF1	C/P	25.00	01/17/2015
NRF	C/P	26.00	01/17/2015	NRF1	C/P	26.00	01/17/2015
NRF	C/P	27.00	01/17/2015	NRF1	C/P	27.00	01/17/2015
NRF	C/P	28.00	01/17/2015	NRF1	C/P	28.00	01/17/2015
NRF	C/P	29.00	01/17/2015	NRF1	C/P	29.00	01/17/2015

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NRF	C/P	30.00	01/17/2015	NRF1	C/P	30.00	01/17/2015
NRF	C/P	3.00	01/15/2016	NRF1	C/P	3.00	01/15/2016
NRF	C/P	5.00	01/15/2016	NRF1	C/P	5.00	01/15/2016
NRF	C/P	7.00	01/15/2016	NRF1	C/P	7.00	01/15/2016
NRF	C/P	10.00	01/15/2016	NRF1	C/P	10.00	01/15/2016
NRF	C/P	12.00	01/15/2016	NRF1	C/P	12.00	01/15/2016
NRF	C/P	15.00	01/15/2016	NRF1	C/P	15.00	01/15/2016
NRF	C/P	17.00	01/15/2016	NRF1	C/P	17.00	01/15/2016
NRF	C/P	20.00	01/15/2016	NRF1	C/P	20.00	01/15/2016
NRF	C/P	22.00	01/15/2016	NRF1	C/P	22.00	01/15/2016
NRF	C/P	25.00	01/15/2016	NRF1	C/P	25.00	01/15/2016
NRF	C/P	27.00	01/15/2016	NRF1	C/P	27.00	01/15/2016
NRF	C/P	30.00	01/15/2016	NRF1	C/P	30.00	01/15/2016

Disclaimer:

This Information Memo summarizes corporate events affecting listed options. No warranty of accuracy or completeness is given with respect to the summary. Option series information is based on series existing at OCC at the time this Memo was generated.

Contact Information:

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.