



THE OPTIONS CLEARING CORPORATION

#24180

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DATE: MARCH 6, 2008

SUBJECT: CYTRX CORPORATION – DISTRIBUTION
OPTION SYMBOL: QEY
NEW SYMBOL: CIH
DATE: 03/07/08

CONTRACT ADJUSTMENT

EFFECTIVE DATE: March 7, 2008

OPTION SYMBOL: QEY changes to CIH

STRIKE PRICES: No Change

NUMBER OF CONTRACTS: No Change

MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 5 yields \$500)

NEW DELIVERABLE PER CONTRACT

- 1) 100 CytRx Corporation (“CYTR”) Common Shares
- 2) 4 RXi Pharmaceuticals Corporation (“RXII”) Common Shares
- *3) Cash in lieu of .9885412 fractional RXII Shares

*The cash portion of the deliverable remains permanently fixed as part of the option deliverable, and does not vary with price changes of securities also included in the deliverable

SETTLEMENT ALLOCATION: To be determined

CUSIPS: CYTR: 232828301
RXII: 74978T109

THE 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.

DELAYED SETTLEMENT

The CYTR & RXII components of the CIH deliverable will settle through National Securities Clearing Corporation ("NSCC"). OCC will delay settlement of the cash portion of the CIH deliverable until the cash in lieu of fractional RXII shares is determined. Until the cash in lieu is determined, OCC will maintain an audit trail of all CIH exercise and assignment activity. Upon determination of the RXII cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash in lieu amount. **CLEARING MEMBERS SHOULD REMIND CUSTOMERS THAT SETTLEMENT OF CIH EXERCISE/ASSIGNMENT ACTIVITY WILL INCLUDE A FUTURE OBLIGATION TO PAY THE CASH IN LIEU AMOUNT.**

PRICING

The underlying price for CIH will be determined as follows:

$$\text{CIH} = \text{CYTR} + .04 (\text{RXII}) + \text{cash in lieu of } .9885412 \text{ RXII}$$

BACKGROUND

CytRx Corporation ("CYTR") announced a distribution of RXi Pharmaceuticals Corporation ("RXII") Common Shares. The distribution ratio is .049885412 RXII Common Shares per CYTR Share. The record date is March 6, 2008; the mail date is to be determined. The NASDAQ Capital Market has set March 7, 2008 as the ex-distribution date of the distribution.

*****THE FOREGOING IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE DISTRIBUTION, PREPARED BY OCC FOR THE CONVENIENCE OF CLEARING MEMBERS. OCC ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. ***** CLEARING MEMBERS SHOULD REFER TO THE NASDAQ DIVIDENDS DAILY LIST DATED MARCH 6, 2008, FOR AN AUTHORITATIVE DESCRIPTION OF THE DISTRIBUTION.**

Pursuant to Article VI, Section 11, of OCC's By-Laws, a panel of OCC's Securities Committee has determined to adjust all QEY options as indicated above (the panel consists of two representatives from the Exchanges on which the affected option is traded (in this case the Chicago Board Options Exchange ("CBOE") and the Philadelphia Stock Exchange ("PHLX")), and the Chairman of OCC or his delegee, who only votes in case of a tie).

Members are referred to the Option Exchanges indicated above for additional information, including order placement and Exchange intentions to re-list standard (100 share) options.

[For questions regarding this memo, call 1-888-OPTIONS or email options@theocc.com.](#)