



**THE FOUNDATION
FOR SECURE
MARKETS**

#48088

DATE: DECEMBER 30, 2020

**SUBJECT: MVC CAPITAL, INC. – DETERMINATION OF DELIVERABLE/CASH
IN LIEU SETTLEMENT
ADJUSTED OPTION SYMBOL: BBDC1**

MVC Capital, Inc. options were adjusted on December 24, 2020 (See OCC Information Memo #48051). The new deliverable became 1) 94 Barings BDC, Inc. (BBDC) Common Shares, subject to adjustment as described in the Proxy, 2) Cash in lieu of 0.024 fractional BBDC Common Shares, subject to adjustment as described in the Proxy, and 3) \$39.49 Cash, subject to adjustment as described in the Proxy. Settlement of the BBDC and cash components of BBDC1 options exercise/assignment activity were subject to delayed settlement.

OCC has been informed that the final merger consideration is 0.9790836 BBDC shares and \$0.39492 cash per MVC share held.

OCC has been informed that a price of \$7.58 per whole BBDC share will be used to determine the cash in lieu amount. Accordingly, the cash in lieu amount is:

$$0.90836 \times \$7.58 = \$6.89 \text{ per BBDC1 Contract}$$

Now that the final merger consideration and cash in lieu amount have been determined, OCC will require Put exercisers and Call assignees, during the period of December 24, 2020 through December 30, 2020, to deliver the appropriate number of BBDC shares and appropriate cash amount.

Terms of the BBDC1 options are as follows:

New Deliverable Per Contract: 1) 97 Barings BDC, Inc. (BBDC) Common Shares
2) \$46.38 Cash ($(\$0.39492 \times 100) + \6.89)

STRIKE PRICES: Unchanged

CUSIP: 06759L103

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

SETTLEMENT

The BBDC component of BBDC1 exercise/assignment activity, which was delayed from December 24, 2020 through December 29, 2020, is no longer delayed and will settle through National Security Clearing Corporation (NSCC). The \$46.38 cash amount will be settled by OCC.

PRICING

The underlying price for BBDC1 options will be determined as follows:

$$\text{BBDC1} = 0.97 (\text{BBDC}) + 0.4638$$

For example, if BBDC closes at 9.14, the BBDC1 price would be calculated as follows:

$$\text{BBDC1} = 0.97 (9.14) + 0.4638 = 9.33$$

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.