



**THE FOUNDATION
FOR SECURE
MARKETS**

#48471

Date: March 22, 2021

Subject: Anworth Mortgage Asset Corporation – Contract Adjustment
Option Symbol: ANH
New Symbol: RC1
Date: 03/22/2021
* * * Update * * *

Contract Adjustment

Date: March 22, 2021

Option Symbol: ANH changes to RC1

Strike Divisor: 1

Contracts Multiplier: 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 5 yields \$500.00)

New Deliverable Per Contract:

- 1) 16 Ready Capital Corporation (RC) Common Shares
- 2) Cash in lieu of 0.88 fractional RC Common Shares
- 3) \$61.00 cash (\$0.61 x 100)

CUSIP: RC: 75574U101

Pricing

Until the cash in lieu amount is determined, the underlying price for RC1 will be determined as follows:

$$RC1 = 0.1688 (RC) + 0.61$$

Delayed Settlement

The RC component of the RC1 deliverable will settle at NSCC. The cash component of the RC1 will be subject to delayed settlement until the cash in lieu of fractional RC share amount is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver the appropriate cash amount.

Background

On March 17, 2021, Shareholders of Anworth Mortgage Asset Corporation (ANH) voted concerning the proposed merger with Ready Capital Corporation (RC). The merger was approved and subsequently consummated on March 19, 2021. As a result, each existing ANH Common Share will be converted into the right to receive **0.1688 RC Common Shares plus \$0.61 Cash**. Cash will be paid in lieu of fractional RC shares.

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.