



**THE FOUNDATION  
FOR SECURE  
MARKETS**

**#48580**

**Date:** April 15, 2021

**Subject:** RC1 Options - Expiration Pricing Consideration

RC1 (adjusted Anworth Mortgage Asset Corporation options) will be subject to special pricing consideration in expiration processing on April 16, 2021. The pricing consideration is due to the undetermined cash in lieu of fractional shares amount included in the option deliverable of RC1 as indicated below. These options will continue to be subject to normal exercise based on customary exercise thresholds in OCC's Ex-by-Ex processing.

MEMBERS SHOULD ADVISE THEIR CUSTOMERS TO TAKE THE FOLLOWING CONSIDERATIONS INTO ACCOUNT IN DECIDING TO EXERCISE, OR NOT TO EXERCISE, THESE OPTIONS.

### RC1

RC1 options are adjusted Anworth Mortgage Asset Corporation options, adjusted March 22, 2021 (see OCC Information Memo #48471). The deliverable of RC1 options is:

#### 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)

As of April 15, 2021, the RC Exchange Agent has not determined the price to be used to determine the cash in lieu amount.

For purposes of calculating a RC1 price for use in expiration processing, OCC will use the following formula:

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

For example, if RC closes at 13.94, the RC1 price would be:

$$RC1 = 0.1688 (13.94) + 0.61 = 2.96$$

This formula includes an estimate for the value of the cash in lieu amount and not the actual amount applicable in the merger.

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](mailto: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](mailto:memberservices@theocc.com).