



**THE FOUNDATION
FOR SECURE
MARKETS**

#49591

Date: November 15, 2021

**Subject: Adjusted SuRo Capital Corporation – Further Adjustment
Adjusted Option Symbol: SSSS1
Date: 11/16/2021
*** Update *****

Adjusted SuRo Capital Corporation options were adjusted on May 17, 2021 and August 17, 2021 (See OCC Information Memos #48975 and #49391). The new deliverable became 1) 138 SuRo Capital Corporation (SSSS) Common Shares, and 2) \$10.94 Cash.

SuRo Capital Corporation (SSSS) has declared a \$2.00 dividend payable in cash or stock to SSSS Common Shareholders. SSSS Shareholders have the right to elect to receive the dividend in Common Stock (share election) or cash (cash election). In aggregate, the amount of cash to be distributed will be limited to no more than 50% of the total dividend to be paid to all shareholders. The remainder of the dividend will be paid in the form of SSSS Common Shares. The Election Deadline is December 17, 2021. **SSSS Shareholders who fail to make an election will receive the dividend in the form of shares.** The number of shares of SSSS common stock to be issued to shareholders receiving all or a portion of the dividend in common stock is to be determined. Treatment of fractional shares is not known at this time.

NASDAQ Capital Market has set November 16, 2021 as the ex-distribution date for the dividend. The Payable Date is December 30, 2021. The Record Date is November 17, 2021.

Adjustment Determination

Adjustment determinations are made by the OCC in accordance with Article VI, Sections 11 and 11A of the OCC By-Laws. The contract adjustment described below was established by the OCC by applying Interpretation .01 of Article VI, Section 11A of the OCC By-Laws to the dividend in the form that will be received by non-electing shareholders.

Since it is expected that the \$2.00 dividend will be paid in stock to non-electing SSSS shareholders, the stock dividend provision contained in Interpretation .01 was utilized. Interpretation .01 states:

Stock dividends or distributions by the issuer of the underlying security (i) in an aggregate amount per dividend or distribution which does not exceed 10% of the number of shares or other units of the underlying security outstanding as of the close of trading on the declaration date, and (ii) which the Corporation believes to have been declared pursuant to a policy or practice of paying such dividends or distributions on a quarterly basis, will, as a general rule, be deemed to be "ordinary stock dividends or distributions" within the meaning of paragraph (c) of Section 11A.

Pursuant to the terms of the Interpretation .01, a stock dividend that is less than a 10% stock dividend and occurs on a quarterly basis will be considered an ordinary stock dividend. Dividends meeting these criteria of an ordinary dividend will generally not result in an adjustment. Because this dividend does not occur quarterly and because the amount of shares paid to non-electing shareholders is expected to exceed 10% (SSSS closed at \$14.37 on the SSSS dividend declaration date of November 2, 2021), the \$2.00 dividend

paid in stock to non-electing shareholders qualifies as a non-ordinary stock dividend under the OCC By-Laws and will therefore result in a contract adjustment.

Adjusted SSSS1 options must be further adjusted to reflect the distribution as described below

Exercise Consideration – On November 16, 2021, SSSS1 options will be further adjusted and the deliverable for SSSS1 will reflect the additional amount of stock distributed to shareholders who failed to make a valid election. SSSS1 Call option holders who do not wish to receive the dividend in the form distributed to non-electing shareholders must exercise their options in sufficient time in advance of the contract adjustment to observe all conditions of the election. In all cases, it is the sole responsibility of persons holding call options seeking to participate in the election to determine when to exercise their options and to comply with all terms and conditions of the election.

Contract Adjustment

Effective Date: November 16, 2021

Option Symbol: SSSS1 remains SSSS1

Contract Multiplier: 1

Strike Divisor: 1

Multiplier: 100 (e.g., for premium or strike dollar extensions 1.00 will equal \$100)

New Deliverable

Per Contract:

- 1) 138 SuRo Capital Corporation (SSSS) Common Shares
- 2) An additional number of SSSS Common Shares reflecting the stock dividend received by non-electing SSSS shareholders, expected to be valued at \$276.00 (\$2.00 dividend x 138)
- 3) Cash in lieu of fractional SSSS shares, if any
- 4) \$10.94 Cash

Note: Once determined, the cash in lieu of fractional share portion of the option deliverable will remain fixed and will not vary with price changes of any security.

CUSIP: 86887Q109

Pricing

Until the exact number of additional SSSS shares and the cash in lieu amount of fractional SSSS shares, if any, to be included in the SSSS1 deliverable are determined, the underlying price for SSSS1 will be determined as follows:

$$\text{SSSS1} = 1.38 (\text{SSSS}) + 2.76 + 0.1094 = 1.38 (\text{SSSS}) + 2.8694$$

Delayed Settlement

OCC will delay settlement of both the SSSS component and the cash component of the SSSS1 deliverable until the exact number of SSSS shares and the cash in lieu amount, if any, to be included in the SSSS1 deliverable are determined. Upon determination of the SSSS distribution rate and the cash in lieu of fractional share amount, if any, OCC will require Put exercisers and Call assignees to deliver the appropriate number of shares and the appropriate cash amount.

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.