



**THE FOUNDATION  
FOR SECURE  
MARKETS®**

#53430

**Date:** October 24, 2023

**Subject:** Adjusted Western Asset Mortgage Capital Corporation - Anticipated Further Adjustment  
Adjusted Option Symbol: WMC1  
New Adjusted Symbol: MITT1  
Date: ???

Adjusted Western Asset Mortgage Capital Corporation options (adjusted option symbol WMC1) were adjusted on July 11, 2022 (See OCC Information Memo #50703). The new deliverable became 10 Western Asset Mortgage Capital Corporation (WMC) Common Shares.

On November 7, 2023, WMC Shareholders will vote concerning the proposed merger with AG Mortgage Investment Trust, Inc. (MITT). If the merger is approved and consummated, each existing WMC Common Share will be converted into the right to receive 1.5 MITT Common Shares, subject to adjustment as described in the WMC/MITT Proxy Statement/Prospectus dated September 29, 2023 ("Proxy"), plus a pro rata portion of up to \$7,000,000 in cash consideration, calculated as described in the Proxy. Cash will be paid in lieu of fractional shares.

If and when the merger becomes effective, the WMC1 options will be further adjusted as follows:

**Contract Adjustment**

**Date:** Effective the opening of the business day after the merger is consummated. Contract adjustment is anticipated to occur in the fourth quarter of 2023.

**New Multiplier:** 100 (e.g., for premium extensions a premium of 1.50 equals \$150; a strike of 10 yields \$1,000.00).

**Contract Multiplier:** 1

**Strike Prices:** No Change

**Option Symbol:** WMC1 changes to MITT1

**Deliverable Per Contract:**

- 1) 15 AG Mortgage Investment Trust, Inc. (MITT) Common Shares, subject to adjustment as described in the Proxy
- 2) Cash in lieu of fractional MITT shares, if any
- 3) 10 x a pro rata portion of up to \$7,000,000 in cash consideration, calculated as described in the Proxy

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

CUSIP: MITT: 001228501

### **Delayed Settlement**

OCC will delay settlement of the MITT component and the cash portion of the MITT1 deliverable until the final merger consideration is determined. Upon determination of the final cash merger consideration, OCC will require Put exercisers and Call assignees to deliver the appropriate number of MITT shares and 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, please email the Investor Education team at [options@theocc.com](mailto:options@theocc.com). Clearing Member Firms of OCC 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).