



Date: December 06, 2023

Subject: Adjusted Western Asset Mortgage Capital Corporation - Further Adjustment
Adjusted Option Symbol: 12/06/2023 - WMC1 remains WMC1
12/07/2023 - WMC1 becomes MITT1
Date: 12/06/2023
***** Update - Determination of Deliverable *****

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 voted concerning the proposed merger with AG Mortgage Investment Trust, Inc. (MITT). The merger was approved and subsequently consummated before the open on December 6, 2023. As a result, 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.

The merger consideration has been confirmed to be 1.498 AG Mortgage Investment Trust, Inc. (MITT) Common Shares and \$0.92 in cash per WMC share held.

The merger became effective, the WMC1 options will be further adjusted as follows:

Contract Adjustment

Date: December 6, 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: 12/06/2023 - WMC1 remains WMC1 (with adjusted deliverable described below)
12/07/2023 - WMC1 changes to MITT1

Deliverable Per Contract: 1) 14 AG Mortgage Investment Trust, Inc. (MITT) Common Shares

- 2) Cash in lieu of 0.98 fractional MITT shares
- 3) \$9.20 Cash (\$0.92 x 10)

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

Pricing

Until the cash in lieu amount is determined, the underlying price for MITT1 will be determined as follows:

$$\text{MITT1} = 0.1498 (\text{MITT}) + 0.092$$

Delayed Settlement

The MITT component of the MITT1 deliverable will settle through National Securities Clearing Corporation (NSCC). OCC will delay settlement of the cash portion of the MITT1 deliverable until the cash in lieu of fractional MITT shares is determined. Upon determination of the cash in lieu amount, OCC will require Put exercisers and Call assignees to deliver 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, please email the Investor Education team at 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.