

CAPSTEAD MORTGAGE CORP
Form 4
January 05, 2017

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
SPEARS ROBERT R JR

2. Issuer Name and Ticker or Trading Symbol
CAPSTEAD MORTGAGE CORP
[CMO]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
8401 N. CENTRAL EXPWY.STE.
800

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/03/2017

____ Director
____ Officer (give title below)
____ 10% Owner
____ Other (specify below)
Officer

DALLAS, TX 75225

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| | | | | Code V | Amount | | |
| Common Stock | 01/03/2017 | | D ⁽¹⁾ | 4,572 | D | \$ 10.41 | 358,317 D |
| Common Stock | 01/04/2017 | | A | 27,617 | A | 2 | 385,934 D |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| Performance Units | \$ 10 | 01/03/2017 | | A | 55,235 | 01/05/2017 01/05/2017 | Common Stock (3) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SPEARS ROBERT R JR 8401 N. CENTRAL EXPWY. STE. 800 DALLAS, TX 75225 | | | Officer | |

Signatures

/s/ SPEARS
ROBERT R JR 01/05/2017

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents shares of common stock forfeited to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock on January 3, 2017.
- (2) Represents a portion of the executive's 2016 long-term incentive compensation. The unvested stock awards, granted from the Amended and Restated 2014 Flexible Incentive Plan, vest 100% at the end of year three. Dividends associated with these shares will only be paid upon vesting of the awards.
- (3) Represents the primary component of the executive's 2016 long-term incentive compensation. The performance units ("Units") are convertible into common stock of the Issuer after December 31, 2019 and before March 15, 2020, with the conversion factor determined formulaically, based on achievement of stated performance criteria. The Units target a one-for-one conversion ratio into the common stock of the Issuer; however, the actual conversion ratio will be dependent on the achievement of the performance objectives outlined in the Issuer's 2017 Long-Term Award criteria. The Units could expire without converting into any shares of common stock of the Issuer or could be convertible into as many as 200% of the number of Units granted to the Reporting Person provided maximum thresholds are achieved for all performance objectives. The Units will terminate on December 31, 2019 if minimum performance criteria are not achieved for any of the performance objectives.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.