

**NEWCASTLE INVESTMENT CORP. - DISTRIBUTION* * * UPDATE * * *****DESCRIPTION:**

Newcastle Investment Corp. (NCT) has announced a distribution of (New) New Media Investment Group Inc. (NEWM) Common Shares. The distribution ratio is 0.07219481485 NEWM Common Shares for each NCT share held. The record date is February 6, 2014; the mail date is February 13, 2014. The New York Stock Exchange (NYSE) has set February 14, 2014, as the ex-distribution date for this distribution.

New Media Investment Group Inc. Common Shares began trading on a when issued basis on February 4, 2014 on NYSE under the trading symbol NEWM WI.

Contract Adjustments:

Pursuant to the By-Laws of the Options Clearing Corporation ("OCC"), the below options will be adjusted as follows.

Adjustment Date: **02/14/2014**

Option Symbol: NCT becomes NCT2

Underlying Security: NCT becomes NCT2

CUSIP: 64704V106, 65105M108

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100

Strike Price: **Remains the Same**

Settlement Allocation: 20%, 80%

New Deliverable: Cash in lieu of 0.219481485 fractional NEWM shares
7 (New) New Media Investment Group Inc. (NEWM) Common Shares
100 Newcastle Investment Corp. (NCT) Common Shares

Adjustment Date: **02/14/2014**

Option Symbol: NCT1 remains NCT1

Underlying Security: NCT1 remains NCT1

CUSIP: 64704V106, 64828T102, 65105M108

Contract Multiplier: 1

Strike Divisor: 1

New Multiplier: 100

Strike Price: **Remains the Same**

Settlement Allocation: 10%, 50%, 40%

New Deliverable: Cash in lieu of approximately 0.219481485 fractional NEWM shares
7 (New) New Media Investment Group Inc. (NEWM) Common Shares
100 New Residential Investment Corp. (NRZ) Common Shares
100 Newcastle Investment Corp. (NCT) Common Shares

On Thursday, February 13th, 2014, immediately after the BOX close, all resting orders for NCT and NCT1 in the order book will be canceled by the BOX Market Operations Center. If a BOX Participant wishes to enter orders for the new NCT2 and NCT1 series, the BOX Participant will need to reenter the orders before the open on Friday, February 14th, 2014.

Pricing Considerations:

Until the cash in lieu amount is determined, the underlying price for NCT2 will be determined as follows:

$$\text{NCT2} = \text{NCT} + 0.07219481485 \text{ (NEWM)}$$

Additional Exchange Info:

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NCT	C/P	2.50	02/22/2014	NCT2	C/P	2.50	02/22/2014
NCT	C/P	5.00	02/22/2014	NCT2	C/P	5.00	02/22/2014
NCT	C/P	7.50	02/22/2014	NCT2	C/P	7.50	02/22/2014
NCT	C/P	10.00	02/22/2014	NCT2	C/P	10.00	02/22/2014
NCT	C/P	2.50	03/22/2014	NCT2	C/P	2.50	03/22/2014
NCT	C/P	5.00	03/22/2014	NCT2	C/P	5.00	03/22/2014
NCT	C/P	7.50	03/22/2014	NCT2	C/P	7.50	03/22/2014
NCT	C/P	10.00	03/22/2014	NCT2	C/P	10.00	03/22/2014
NCT	C/P	2.50	05/17/2014	NCT2	C/P	2.50	05/17/2014

Old Option Symbol	Old PutCall Code	Old Strike Price	Old Contract Date	New Option Symbol	New PutCall Code	New Strike Price	New Contract Date
NCT	C/P	5.00	05/17/2014	NCT2	C/P	5.00	05/17/2014
NCT	C/P	7.50	05/17/2014	NCT2	C/P	7.50	05/17/2014
NCT	C/P	10.00	05/17/2014	NCT2	C/P	10.00	05/17/2014
NCT	C/P	2.50	08/16/2014	NCT2	C/P	2.50	08/16/2014
NCT	C/P	5.00	08/16/2014	NCT2	C/P	5.00	08/16/2014
NCT	C/P	7.50	08/16/2014	NCT2	C/P	7.50	08/16/2014
NCT	C/P	10.00	08/16/2014	NCT2	C/P	10.00	08/16/2014
NCT	C/P	2.50	01/17/2015	NCT2	C/P	2.50	01/17/2015
NCT	C/P	5.00	01/17/2015	NCT2	C/P	5.00	01/17/2015
NCT	C/P	7.50	01/17/2015	NCT2	C/P	7.50	01/17/2015
NCT	C/P	10.00	01/17/2015	NCT2	C/P	10.00	01/17/2015

Disclaimer:

This Information Memo summarizes corporate events affecting listed options. No warranty of accuracy or completeness is given with respect to the summary. Option series information is based on series existing at OCC at the time this Memo was generated.

Contact Information:

Questions regarding this memo can be addressed to the BOX Market Operations Center at 617-235-2291 or toll free at 1-866-768-8845.