

BAINES HEATHER U
Form 4
January 05, 2010

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 *
BAINES HEATHER U

2. Issuer Name and Ticker or Trading Symbol
ANWORTH MORTGAGE ASSET CORP [ANH]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
 Director 10% Owner
 Officer (give title below) Other (specify below)
Executive Vice President

(Last) (First) (Middle)
C/O ANWORTH MORTGAGE ASSET CORPORATION, 1299 OCEAN AVENUE, SECOND FLOOR

3. Date of Earliest Transaction (Month/Day/Year)
12/31/2009

(Street)
SANTA MONICA, CA 90401

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

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

(City) (State) (Zip)

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| Common Stock | 12/31/2009 | | A | (A) or (D) Price | 112,348 (1) \$ 0 | D | |
| Common Stock | | | | | 62,500 (3) | I | By spouse |
| Common Stock | | | | | 33,700 (4) | I | By spouse |

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

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SEC 1474
(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 Securities (Instr. 3 and 4) | 8. Priority of Derivative Security (Instr. 3) | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Option (right to buy) | \$ 9.45 | | | | | 01/21/2002 | 01/21/2012 | Common Stock | 43,780 |
| Stock Option (right to buy) | \$ 11.2 | | | | | 10/04/2002 | 10/04/2012 | Common Stock | 21,000 |
| Stock Option (right to buy) | \$ 13.8 | | | | | 05/01/2003 | 05/01/2013 | Common Stock | 27,600 |
| Stock Option (right to buy) | \$ 9.45 | | | | | 01/21/2001 | 01/21/2012 | Common Stock | 29,725 |
| Stock Option (right to buy) | \$ 11.2 | | | | | 10/04/2002 | 10/04/2012 | Common Stock | 90,000 |
| Stock Option (right to buy) | \$ 13.8 | | | | | 05/01/2003 | 05/01/2013 | Common Stock | 99,500 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| BAINES HEATHER U C/O ANWORTH MORTGAGE ASSET CORPORATION 1299 OCEAN AVENUE, SECOND FLOOR SANTA MONICA, CA 90401 | | | Executive Vice President | |

Signatures

/s/ Heather U.

Baines

01/05/2010

**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).

These shares were granted pursuant to the Anworth Mortgage Asset Corporation 2004 Equity Compensation Plan and the Employment

- (1) Agreement for Mr. Lloyd McAdams, Chairman, President and Chief Executive Officer of Anworth Mortgage Asset Corporation, who is married to Heather U. Baines, in consideration for services rendered by Mr. McAdams.
- (2) Ms. Baines owns 41,500 shares individually. The balance of these shares are owned as community property with Mr. McAdams.
- (3) Mr. McAdams owns 62,500 shares in which Ms. Baines disclaims any beneficial interest in.
- (4) Shares held by the McAdams Foundation, of which Mr. McAdams is a director.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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