

ANNALY CAPITAL MANAGEMENT INC

Form 4

February 12, 2008

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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

OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person *
FARRELL MICHAEL A J

(Last) (First) (Middle)

C/O ANNALY CAPITAL
MANAGEMENT, INC., 1211
AVENUE OF THE AMERICAS,
SUITE 2902

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol
ANNALY CAPITAL
MANAGEMENT INC [NLY]

3. Date of Earliest Transaction
(Month/Day/Year)
02/12/2008

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☒ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify below)
Pres., Chairman of Board & CEO

6. Individual or Joint/Group Filing(Check
Applicable Line)

☒ 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 Ownership (Instr. 4)
Common Stock	02/12/2008		M	V Amount (A) or (D) Price 56,900 A \$ 8.13	1,976,454	D	
Class A Preferred Stock					1,500	D	
Class A Preferred Stock					2,000 ⁽¹⁾	I	Michael Farrell C/F Taylor Carolyn

Class A Preferred Stock	6,000 ⁽¹⁾	I	Farrell Michael Farrell C/F Caitlin Farrell
Class A Preferred Stock	6,200 ⁽¹⁾	I	Michael Farrell C/F Michael Edward Farrell

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 Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount of Number of Shares
Option to purchase Common Stock ⁽²⁾	\$ 8.13	02/12/2008		M	56,900	07/31/1999 07/31/2008	Common Stock 56,900
Option to purchase Common Stock ⁽²⁾	\$ 8.63					11/18/2000 11/18/2009	Common Stock 48,413
Option to purchase Common Stock ⁽²⁾	\$ 7.94					11/29/2001 11/29/2010	Common Stock 22,500
Option to purchase Common Stock ⁽²⁾	\$ 17.97					08/04/2004 08/04/2013	Common Stock 200,000
	\$ 17.39					04/20/2005 04/20/2014	150,000

Option to purchase Common Stock ⁽²⁾				Common Stock	
Option to purchase Common Stock ⁽²⁾	\$ 17.07	07/07/2006	07/07/2015	Common Stock	150,000
Option to purchase Common Stock ⁽²⁾	\$ 11.72	02/13/2007	02/13/2016	Common Stock	150,000
Option to purchase Common Stock ⁽²⁾	\$ 15.7	05/17/2008	05/17/2017	Common Stock	150,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FARRELL MICHAEL A J C/O ANNALY CAPITAL MANAGEMENT, INC. 1211 AVENUE OF THE AMERICAS, SUITE 2902 NEW YORK, NY 10036	X		Pres., Chairman of Board & CEO	

Signatures

/s/Michael A.J. Farrell 02/12/2008

 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) The reporting person disclaims beneficial ownership of these securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares for purposes of Section 16 or for any other purpose.
- (2) Options previously granted.

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