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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **December 12, 2013**

DYNEX CAPITAL, INC.
(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-9819
(Commission File Number)

52-1549373
(IRS Employer
Identification No.)

4991 Lake Brook Drive, Suite 100
Glen Allen, Virginia
(Address of principal executive offices)

23060-9245
(Zip Code)

Registrant's telephone number, including area code: **(804) 217-5800**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Election of Directors

On December 12, 2013, the Board of Directors of Dynex Capital, Inc. (the “Company”) resolved to increase the size of the Board of Directors from five directors to seven directors. See Item 5.03 below for information about a related amendment to the Company’s Amended and Restated Bylaws. Also on December 12, 2013, the Company’s Board of Directors elected Mr. Robert Salcetti and Ms. Valerie Mosley as directors of the Company, effective immediately in the case of Mr. Salcetti and effective December 16, 2013 in the case of Ms. Mosley.

Mr. Salcetti and Ms. Mosley will be entitled to the standard compensation provided to non-employee directors, on a prorated basis for the current year, as such compensation is described in the Company’s Annual Proxy Statement filed with the Securities and Exchange Commission on April 26, 2013. Ms. Mosley has been appointed to the Company’s Investment Committee, and Mr. Salcetti has been appointed to the Company’s Audit Committee.

There are no arrangements or understandings between Mr. Salcetti or Ms. Mosley, respectively, and any other person pursuant to which he or she was elected as a director. Neither Mr. Salcetti nor Ms. Mosley is a party to any transaction with the Company that would require disclosure under Item 404(a) of Regulation S-K.

Appointment of Officer and Management Changes; Related Compensation Changes

On December 12, 2013, the Company’s Board of Directors approved the following changes to the Company’s management, to be effective January 1, 2014: (i) Thomas B. Akin, the Company’s currently serving Chairman and Chief Executive Officer, will transition into the office of Executive Chairman; and (ii) Byron L. Boston, the Company’s currently serving President and Chief Investment Officer, will transition into the office of Chief Executive Officer, President and Co-Chief Investment Officer. Mr. Akin, 61, has served as a director of the Company since May 2003, as Chairman since May 2005, and as the Company’s Chief Executive Officer since February 2008. Mr. Boston, 55, has served a director of the Company since March 2012, and as the Company’s President and Chief Investment Officer since March 2012, having previously held the position of Chief Investment Officer since April 2008.

There are no arrangements or understandings between Mr. Akin or Mr. Boston, respectively, and any other person pursuant to which he was appointed as an officer. Neither Mr. Akin nor Mr. Boston is a party to any transaction with the Company that would require disclosure under Item 404(a) of Regulation S-K. There are no family relationships between Mr. Akin or Mr. Boston, respectively, and any other executive officer or director of the Company

Also on December 12, 2013, Smriti L. Popenoe, 44, was appointed to serve as the Company’s Executive Vice President, Co-Chief Investment Officer, effective January 1, 2014. Ms. Popenoe is currently Principal of TriSim, Inc., a financial advisory firm that advises regarding risk and portfolio management, investment strategy and asset valuation, and provides other services focused on fixed income assets and strategies. Ms. Popenoe has periodically rendered advisory services to Dynex through TriSim, Inc. since October 2009.

From September 2010 to February 2013, Ms. Popenoe served as Chief Risk Officer for PHH Corporation (“PHH”), a provider of mortgage banking and fleet management outsourcing services, and served briefly as PHH’s Interim President in 2012. Ms. Popenoe was responsible for PHH’s enterprise risk management program. From September 2006 to October 2009 Ms. Popenoe served as Senior Vice President, Balance Sheet Management of Wachovia Bank (“Wachovia”), and was responsible for managing the bank’s investment portfolio including Agency and non-Agency RMBS, CMBS and whole loans. In this role Ms. Popenoe also recommended and executed asset/liability and credit risk management strategies using interest rate and credit derivatives and other hedging strategies, and helped develop a comprehensive risk and return framework for all assets retained on the bank’s balance sheet. Ms. Popenoe also helped manage Wachovia’s liquidity and capital positions leading up to Wachovia’s merger with Wells Fargo & Company in 2009.

In connection with her appointment to Executive Vice President, Co-Chief Investment Officer, Ms. Popenoe will receive an annual base salary of \$408,000, paid in semi-monthly installments, and will receive an initial equity award of restricted shares of the Company’s common stock, with an aggregate grant date fair market value of \$300,000 vesting in three annual installments. Beginning in 2014, Ms. Popenoe will be eligible to participate in the Company’s annual bonus program for executives. The Company expects to enter into an employment agreement with Ms. Popenoe during 2014 and will file a Current Report on Form 8-K to report entry into such employment agreement at that time.

There are no family relationships between Ms. Popenoe and any other executive officer or director of the Company, and there are no arrangements or understandings between Ms. Popenoe and any other person pursuant to which she was appointed as an officer of the Company. Ms. Popenoe has received compensation of \$196,025 for consulting services rendered to the Company from May 1, 2013 to the date of this Current Report on Form 8-K. Other than this compensation, Ms. Popenoe is not a party to any transaction with the Company that would require disclosure under Item 404(a) of Regulation S-K.

Item 5.03 Amendment to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Effective December 12, 2013, and in connection with the election of two directors to the Company's Board of Directors, the Company's Amended and Restated Bylaws were amended to increase the size of the Company's Board of Directors from five members to seven members, in each case subject to automatic increase as otherwise provided in the Company's Articles of Incorporation. The text of this amendment to the Company's Amended and Restated Bylaws is attached hereto as Exhibit 3.2.1.

Item 7.01 Regulation FD Disclosure.

On December 12, 2013, the Company issued a press release announcing the election of directors and the appointment of a new officer and related changes to the Company's management. A copy of the Company's press release is attached as Exhibit 99.1 to this Current Report and is incorporated by reference into this Item 7.01.

Item 9.01 Exhibits.

(d) *Exhibits*

<u>Exhibit No.</u>	<u>Description</u>
3.2.1	Amendment to Bylaws of the Company, effective as of December 12, 2013.
99.1	Press release dated December 12, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DYNEX CAPITAL, INC.

Date: December 18, 2013

By: /s/ Stephen J. Benedetti

Stephen J. Benedetti

Executive Vice President, Chief Operating Officer and Chief Financial Officer

Exhibit Index

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3.2.1	Amendment to Bylaws of the Company, effective as of December 12, 2013
99.1	Press release dated December 12, 2013

**Amendment to Dynex Capital, Inc.'s Amended and Restated Bylaws
effective as of December 12, 2013**

SECTION 3.02 Number, Election and Term. The Board of Directors shall consist of ~~five~~ **seven** directors, subject to automatic increase in accordance with the Articles of Incorporation. If the Corporation seeks to qualify as a real estate investment trust, the number of directors shall be increased or decreased from time to time by vote of a majority of the entire Board of Directors; provided, however, that the number of directors may not exceed fifteen nor be less than three except as permitted by law, and provided further, that the tenure of office of a director shall not be affected by any decrease or increase in the number of directors so made by the Board of Directors. During such time as the Corporation seeks to qualify as a real estate investment trust, except in the case of a vacancy, a majority of the Board of Directors shall be Unaffiliated Directors (as hereinafter defined). For purposes of these Bylaws, "Unaffiliated Director" shall mean a director of the Corporation who is not affiliated, directly or indirectly with any person or entity, if any, responsible for directing and performing the day-to-day business affairs of the Corporation (the "Manager"), whether by ownership of, ownership interest in, employment by, any material business or professional relationship with, or serves as an officer or director of the Manager or an affiliated business entity of the Manager; provided, however, that a Director shall not be considered Unaffiliated if he or she is serving as a director of more than three REITs organized by the Manager or its affiliated business entities. "Affiliate" means, when used with reference to a specified person, (i) any person that directly or indirectly controls or is controlled by or is under common control with the specified person, (ii) any person that is an officer of, partner in or trustee of, or serves in a similar capacity with respect to, the specified person or of which the specified person is an officer, partner or trustee, or with respect to which the specified person serves in a similar capacity, and (iii) any person that, directly or indirectly, is the beneficial owner of 5% or more of any class of equity securities of the specified person or of which the specified person is directly or indirectly the owner of 5% or more of any class of equity securities ("person" includes a natural person, corporation, partnership, trust company or other entity). At the first annual meeting of shareholders and at each annual meeting thereafter, the shareholders shall elect directors to hold office until the next annual meeting or until their successors are elected and qualify. Directors need not be shareholders in the Corporation.



PRESS RELEASE

FOR IMMEDIATE RELEASE

December 12, 2013

CONTACT: Alison Griffin

(804) 217-5897

**DYNEX CAPITAL, INC. ANNOUNCES EXECUTIVE MANAGEMENT
CHANGES; ELECTION OF MOSLEY AND SALCETTI
TO BOARD OF DIRECTORS; DECLARES FOURTH QUARTER COMMON AND
PREFERRED DIVIDENDS**

***COMMON DIVIDEND OF \$0.27, SERIES A PREFERRED DIVIDEND OF \$0.53125,
AND SERIES B PREFERRED DIVIDEND OF \$0.4765625***

GLEN ALLEN, Va.--Dynex Capital, Inc. (NYSE: DX) (the Company) announced approval of executive management changes to take effect January 1, 2014. Byron L. Boston, the Company's current President and Chief Investment Officer, has been promoted to Chief Executive Officer (CEO) and President beginning January 1, 2014, and will retain a Co-Chief Investment Officer role. Also effective January 1, 2014, the Company's current CEO, Thomas B. Akin, will transition to Executive Chairman of the Company's Board of Directors.

Mr. Akin commented, "I would like to congratulate Byron on his appointment as CEO and look forward to continuing to work closely with him in the years to come as he builds upon his track record of leadership and key successes. Our shared vision and values provide a solid foundation from which we will continue to strengthen our business and drive toward long-term value creation for all stakeholders. As one of Dynex's largest shareholders, I am very excited that Byron agreed to his new role. I remain deeply committed to the Company and I am extremely optimistic about our future."

The Company also announced that it has appointed Smriti L. Popenoe as Executive Vice President, Co-Chief Investment Officer, effective January 1, 2014. Ms. Popenoe has served as a strategic consultant to the Company since May 2013 and will continue in that role until January 1, 2014, when Ms. Popenoe will assume the daily management of the Company's investment portfolio. Ms. Popenoe most recently served as Executive Vice President, Chief Risk Officer at PHH Corporation, a leading provider of mortgage banking and fleet management outsourcing services. Prior to joining PHH, Ms. Popenoe served as Senior Vice President, Balance Sheet Management at Wachovia (now Wells Fargo), where she led a team responsible for all aspects of the firm's \$130 billion investment portfolio, including agency and non-agency RMBS, ABS, CMBS and whole loans. Prior to Wachovia, Ms. Popenoe served as Senior Vice President, Investments of Sunset Financial Resources, a start-up investment business under a REIT framework, where she successfully built and managed a \$1.1 billion ARM portfolio. Previously, Ms. Popenoe spent nine years with Freddie Mac, where she was responsible for investment portfolio management across Freddie Mac's \$400-billion fixed rate MBS and whole loan portfolios.

Mr. Boston said "Over her 20 year career, Smriti has worked through positions of increasing responsibility with a focus on investment portfolio and risk management. Given the increased uncertainty with the volatile environment, we will greatly benefit from her significant experience and look forward to her becoming a key contributor

to our strategy and success.” Mr. Akin commented, “Our board of directors has complete confidence in Smriti, and we are delighted to welcome her as the newest member of the management team.”

Ms. Popenoe holds a Bachelor of Science in Chemistry and Environmental Science from St. Joseph's College in Bangalore, India, a Masters-Level French Diploma from the Alliance Francaise, and an MBA from the University of Rochester and is a Chartered Financial Analyst.

New Board Members

Dynex also announced today that its Board of Directors has elected two new members.

Robert A. Salcetti, former Managing Director at JP Morgan Chase, joined the board effective today, and Valerie Mosley, Chief Executive Officer of Valmo Ventures, will join the board effective December 16, 2013. These additions increase the number of Dynex directors from five to seven. Mr. Salcetti has over 34 years of experience in the financial services and mortgage sectors, including serving as Managing Director at JP Morgan Chase from 1996 to 2008 where he led operations that designed, provided and managed credit facilities for loan warehousing financing, receivables and mortgage servicing rights financing. Prior to forming Valmo Ventures, Ms. Mosley was Partner, Senior Vice Partner and Investment Strategist at Wellington Management Company, LLP. During a 20-year career at the firm, Ms. Mosley managed a multi-billion dollar investment portfolio for corporate and public pension funds, insurance company general accounts, endowment funds and mutual funds.

“In June, at our annual shareholder meeting, we made a pledge to recruit the very best, most talented leaders to our already outstanding board,” said Mr. Akin. “Valerie and Robert bring tremendous financial and leadership expertise and experience to the table. I am confident they will make enormous contributions as we support Byron and his team in strengthening our business and continuing to build value for our shareholders.”

“As we continue to move Dynex forward, it is a huge benefit to have access to advice from a board of such experienced business leaders,” said Boston. “During their careers Valerie and Robert have developed broad-based and sophisticated knowledge across a wide range of disciplines. I’m very grateful for their support, as well as the ongoing support from all of the directors.”

With their addition to the board, Mosley will become a member of the Investment Committee and Salcetti will join the Audit Committee.

The Company also announced that its Board of Directors has declared dividends on shares of its common and preferred stock for the fourth quarter of 2013.

Common Stock Dividend

The Company’s Board of Directors has declared a quarterly dividend of \$0.27 per common share for the fourth quarter of 2013 payable on January 31, 2014 to shareholders of record on December 31, 2013. There is no dividend reinvestment discount for fourth quarter dividends reinvested through the Company's Dividend Reinvestment and Share Purchase Plan.

Preferred Stock Dividends

The Company also announced that it will pay the regular quarterly dividend of \$0.53125 per share on its 8.50% Series A Cumulative Redeemable Preferred Stock (NYSE: DXPPRA) and \$0.4765625 per share on its 7.625% Series B Cumulative Redeemable Preferred Stock (NYSE: DXPPRB). Both dividends will be paid on January 15, 2014 to shareholders of record of the Series A and Series B Preferred Stocks as of January 1, 2014.

Dynex Capital, Inc. is an internally managed real estate investment trust, or REIT, which invests in mortgage assets on a leveraged basis. The Company invests in Agency and non-Agency RMBS and CMBS. The Company also

has investments in securitized single-family residential and commercial mortgage loans originated by the Company from 1992 to 1998. Additional information about Dynex Capital, Inc. is available at www.dynexcapital.com.

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this press release regarding the business of Dynex Capital, Inc. that are not historical facts are “forward-looking statements” that involve risks and uncertainties. For a discussion of these risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in the Company’s Annual Report on Form 10-K and other reports filed with the Securities and Exchange Commission.

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