



NOTICE TO MEMBERS

No. 2020 - 019

February 18, 2020

FINAL CONTRACT ADJUSTMENT Power Financial Corporation (PWF & FPF) Plan of Arrangement

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.

The Bourse and CDCC wish to inform you that Power Corporation of Canada ("Power", "Power Corporation" or "PCC") (TSX: POW) and Power Financial Corporation ("Power Financial" or "PFC") (TSX: PWF) announced on February 13, 2020, the completion of their previously announced plan of arrangement.

Pursuant to the terms of the Plan of Arrangement, common shareholders of Power Financial will receive 1.05 subordinate voting common shares of Power Corporation of Canada and CAD \$0.01 for each issued and outstanding common share held.

The common shares of Power Financial will be delisted from the Toronto Stock Exchange at the close of business on February 18, 2020.

CDCC - Adjustment Details - Option:

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all PWF options will be adjusted as follows:

- **EFFECTIVE DATE:** February 19 , 2020
- **OPTIONS SYMBOL:** PWF will become POW1
- **NUMBER OF CONTRACTS:** unchanged
- **MULTIPLIER:** unchanged
- **DELIVERABLE PER CONTRACT:** 105 shares of Power Corporation of Canada and a cash consideration of CAD \$1.00 (0.01 x 100)

- **STRIKE PRICES:** unchanged
- **NEW CUSIP :** 739239 10 1
- **POSITION AND EXERCISE LIMITS:** position and exercise limits will remain unchanged at 250,000 contracts

CDCC will not adjust any outstanding escrow receipts.

The Bourse - Adjustment details - Option:

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the reverse split and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

The existing series of PWF options class will be transferred to the POW1 options class representing the new deliverable.

Power Financial Corp.		
Actual Strike Prices	Actual Class Symbol	New class symbol
\$ 25.00	PWF	POW1
\$ 26.00	PWF	POW1
\$ 27.00	PWF	POW1
\$ 28.00	PWF	POW1
\$ 29.00	PWF	POW1
\$ 30.00	PWF	POW1
\$ 32.00	PWF	POW1
\$ 34.00	PWF	POW1
\$ 36.00	PWF	POW1
\$ 38.00	PWF	POW1
\$ 40.00	PWF	POW1

Please note that only closing transactions will be permitted on the adjusted class. Actual series that do not have open interest will not be adjusted.

CDCC - Adjustment Details - Share Future:



- **EFFECTIVE DATE:** February 19, 2020
- **FUTURES SYMBOL :** FPF will be delisted
- **BTIC SYMBOL :** BWF will be delisted
- **NUMBER OF CONTRACTS:** N/A
- **MULTIPLIER:** N/A
- **DELIVERABLE PER CONTRACT:** N/A
- **SETTLEMENT PRICES:** N/A
- **POSITION AND EXERCISE LIMITS:** N/A

Bourse de Montréal Inc. Adjustment Details - Share Future:

The existing series of FPF share future class will be delisted as there is no open interest in the contracts.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact the Market Operations Department at (514) 871-7877. Clearing Members may contact the CDCC Corporate Operations Department.

Anne Fiddes
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