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**CIRCULAR  
April 16, 2004**

## **CONTRACT ADJUSTMENT**

### **Brascan Corporation (BNN) Stock Split**

**THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (“CDCC”) MEMBERS AND BOURSE DE MONTRÉAL INC. APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE AFOREMENTIONED STOCK SPLIT. CDCC AND BOURSE DE MONTRÉAL INC. ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY.**

Bourse de Montréal Inc. and Canadian Derivatives Clearing Corporation (“CDCC”) hereby inform you that the Board of Directors of Brascan Corporation (“BNN”) has approved on February 11, 2004 a three-for-two stock split of the company’s class A outstanding common shares.

Shareholders will receive one-half BNN class A common share for each BNN class A common share held. The three-for-two stock split will take the form of a stock dividend which will be payable on June 1, 2004 to shareholders on record at the close of business on May 21, 2004.

#### **CONTRACT ADJUSTMENT DETAILS**

##### **CDCC Adjustment details:**

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

- **EFFECTIVE DATE:**                      **May 19, 2004.**
- **OPTION SYMBOL:**                      **BNX.**
- **NUMBER OF CONTRACTS:**              **Unchanged.**

Circular no.: 049-2004

- **NEW DELIVERABLE PER CONTRACT:**           **150 BNN class A common shares.**
  
- **STRIKE PRICES:**                   **An adjustment will be made for all existing series.**
  
- **MULTIPLIER:**                       **150.**
  
- **POSITION AND EXERCISE LIMITS:**       **Effective Wednesday, May 19, 2004, Position and Exercise Limits will be increased to 60,000.**
  
- **CUSIP\* :**                               **10549P606.**

\*CDCC is supplying this as information only. Although every effort has been made to ensure the accuracy of the information, CDCC cannot be responsible for any errors or omissions.

**CDCC will not adjust any outstanding escrow receipts. Members who want to maintain margin relief for their entire position will be required to deposit additional escrow receipts.**

**Bourse de Montréal Inc. adjustment details:**

It is important to note that on the effective date mentioned above, i.e. on Wednesday, May 19, 2004, all open orders on the BNN options class **will not be automatically modified** to reflect the three-for-two stock split and will therefore have to **be re-entered again** into the Montreal Automated System (SAM) by the approved participants using the new BNX symbol.

At the opening of business on Wednesday, May 19, 2004, Bourse de Montréal Inc. will adjust the strike prices for BNN series as indicated below:

<b>Brascan Corporation</b>		
<b>Actual Strike Prices</b>	<b>New Strike Prices Effective on Wednesday May 19, 2004</b>	<b>Strike Price Codes</b>
\$ 30.00	\$ 20.00	D
\$ 32.50	\$ 21.625	T
\$ 35.00	\$ 23.375	L
\$ 37.50	\$ 25.00	E
\$ 40.00	\$ 26.625	P
\$ 42.50	\$ 28.375	Q
\$ 45.00	\$ 30.00	F
\$ 47.50	\$ 31.625	R
\$ 50.00	\$ 33.375	N
\$ 52.50	\$ 35.00	G
\$ 55.00	\$ 36.625	A
\$ 57.50	\$ 38.375	C

**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 your local CDCC office.

Michel Favreau  
Senior Vice-President and  
Chief Clearing Officer