

<input type="checkbox"/>	Trading – Interest Rate Derivatives	<input checked="" type="checkbox"/>	Back-office – Options
<input checked="" type="checkbox"/>	Trading – Equity and Index Derivatives	<input checked="" type="checkbox"/>	Technology
<input type="checkbox"/>	Back-office – Futures	<input checked="" type="checkbox"/>	Regulation

**CIRCULAR
June 14, 2007**

**FINAL CONTRACT ADJUSTMENT
Sobeys Inc. (SBY)
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 will adjust the options contracts of Sobeys Inc. (Sobeys) pursuant to the Empire Company Limited offer to acquire all Sobeys issued and outstanding common shares that it did not previously own at a price of Cdn \$58.00 per share. The adjusted deliverable of the Sobeys options contracts will therefore be Cdn \$5,800 per contract.

CDCC - adjustment details:

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

- **EFFECTIVE DATE:** **June 18 2007**
- **OPTION SYMBOL:** **SBY becomes SBQ**
- **NUMBER OF CONTRACTS:** **No change**
- **MULTIPLIER:** **100**
- **NEW DELIVERABLE PER CONTRACT:** **Cdn \$ 5,800.00 ***

*The cash portion of the deliverable will remain permanently fixed as the option deliverable, and will not vary.

Circular no : 098-2007

- **POSITION AND EXERCISE LIMITS:** **Effective on June 18, 2007, position and exercise limits will remain unchanged at 22,500 contracts.**
- **CUSIP :** **NOTACUSIP**

CDCC will not accept escrow receipts on these adjusted series.

Bourse de Montréal Inc. adjustment details:

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 plan of arrangement and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

The existing series of the SBY options class will be transferred to the SBQ options class representing the new deliverable. 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.

Sobeys Inc.		
Actual Strike Prices	Actual Class Symbol	New Class Symbol
\$32.00	SBY	SBQ
\$34.00	SBY	SBQ
\$36.00	SBY	SBQ
\$38.00	SBY	SBQ
\$40.00	SBY	SBQ
\$42.00	SBY	SBQ
\$44.00	SBY	SBQ
\$46.00	SBY	SBQ
\$48.00	SBY	SBQ
\$50.00	SBY	SBQ
\$52.00	SBY	SBQ
\$54.00	SBY	SBQ
\$56.00	SBY	SBQ
\$58.00	SBY	SBQ
\$60.00	SBY	SBQ
\$62.00	SBY	SBQ

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 Louise Leclair, Trading Systems Analyst Market Operations, Bourse de Montréal Inc. at (514) 871-3526. CDCC clearing members may contact the CDCC Operations Department.

Joëlle Saint-Arnault
Vice-President, Legal Affairs and Secretary