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**CIRCULAR 023-16**

February 18, 2016

**ANTICIPATED CONTRACT ADJUSTMENT  
Element Financial Corporation (EFN)  
Spin-Off**

**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 Element Financial Corporation ("Element") announced on February 16, 2016, that its Board of Directors has approved, in principle, a plan to separate into two independent public companies: Element Fleet Management, and Element Commercial Asset Management.

The separation, which is subject to customary approvals including the receipt of all required third party approvals and the final approval of Element's Board, is expected to be completed by the end of 2016.

**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. Clearing members may contact the Corporate Operations Department.

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