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CIRCULAR 119-16
September 29, 2016

FINAL 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 September 20, 2016 that its shareholders approved a plan of arrangement which they will spin-off a new public company that will be named ECN Capital Corp. (“ECN Capital”). The plan of arrangement is anticipated to be effective on October 4, 2016.

Shareholders of record as of the close of business on September 30, 2016 will receive one common share of ECN Capital for each common share of Element held.

If the Arrangement becomes effective on the Effective Date, as is currently anticipated, then the current publicly-traded company called Element Financial Corporation will change its name to Element Fleet Management Corp. (“Element Fleet”) and the symbol will remain “EFN”.

Element shares will commence trading on a “due bill” basis at the opening on September 28, 2016 until the close of markets on October 3, 2016 inclusively. The ex-distribution date will be deferred through the use of due bills.

Element Financial Corporation (EFN)

CDCC - Adjustment Details:

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

➤ **EFFECTIVE DATE:** **October 4, 2016**

- **OPTIONS SYMBOL:** **EFN will become EFN1**
- **NUMBER OF CONTRACTS:** **Unchanged**
- **MULTIPLIER:** **100**
- **DELIVERABLE PER CONTRACT:** **100 common shares of ECN Capital (ECN) and 100 common shares of Element Fleet (EFN)**
- **STRIKE PRICES:** **Unchanged**
- **POSITION AND EXERCISE LIMITS:** **The position and exercise limits will not change, it will remain 250,000 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 EFN options class will be transferred to the EFN1 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.

Please note that Element Financial Corporation - EFN is part of our Penny Program and therefore the new symbol EFN1 will be in the Program.

Also please note that Element Financial Corporation – EFN is in the Weekly option program. No new weekly options will be listed until further notice.

Element Financial Corporation		
Actual Strike Prices	Actual Class Symbol	New class symbol
\$ 10.00	EFN	EFN1
\$ 11.00	EFN	EFN1
\$ 12.00	EFN	EFN1
\$ 13.00	EFN	EFN1
\$ 14.00	EFN	EFN1
\$ 15.00	EFN	EFN1
\$ 16.00	EFN	EFN1
\$ 17.00	EFN	EFN1
\$ 18.00	EFN	EFN1
\$ 19.00	EFN	EFN1
\$ 20.00	EFN	EFN1

The above table may not reflect all listed series due to market fluctuations.

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 Market Operations Department at (514) 871-7877. Clearing members may contact the CDCC Member Services Department.

Jean-François Bertrand
 Vice-President, Market Operations, Services and Connectivity,
 Financial Markets