



NOTICE TO MEMBERS

No. 2017 – 059

May 2, 2017

**ANTICIPATED CONTRACT ADJUSTMENT
Pembina Pipeline Corporation (PPL) and Veresen Inc. (VSN)
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 Pembina Pipeline Corporation (“Pembina”) (TSX: PPL) (NYSE: PBA) and Veresen Inc. (“Veresen”) (TSX: VSN) are pleased to announce they have entered into an arrangement agreement (“The Agreement”).

Under the terms of The Agreement, Pembina is offering to acquire all the issued and outstanding shares of Veresen by way of a plan of arrangement under the *Business Corporations Act* (Alberta).

Pembina is offering to acquire all of the outstanding Veresen common shares in exchange for either (i) 0.4287 of a common share of Pembina or (ii) \$18.65 in cash, subject to pro-ration based on maximum share consideration of approximately 99.5 million Pembina common shares and maximum cash consideration of approximately \$1.523 billion. Assuming full pro-ration, each Veresen shareholder would receive \$4.8494 in cash and 0.3172 of a common share of Pembina for each Veresen common share. This offer represents a 21.8 percent premium to Veresen's 20 day weighted average price of \$15.31 and a 22.5 percent premium to Veresen's closing share price of \$15.23 on April 28, 2017.

The Transaction was unanimously approved by the Boards of Directors of both companies and is expected to close late in the third quarter or early in the fourth quarter of 2017.

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 Corporate Operations Department.

Glenn Goucher
President and Chief Clearing Officer

Canadian Derivatives Clearing Corporation

The Exchange Tower	800 Victoria Square
130 King Street West, 5 th Floor	3 rd Floor
Toronto, Ontario	Montréal, Québec
M5X 1J2	H4Z 1A9
Tel. : 416-367-2470	Tel. : 514-871-3545

www.cdcc.ca