

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.



NOTICE TO MEMBERS

No. 2020 - 176

December 22, 2020

FINAL CONTRACT ADJUSTMENT HEXO Corp (HEXO & FHX) Reverse Split

The Bourse and CDCC wish to inform you that HEXO Corp. (TSX: "HEXO") will consolidate its Common Shares. The reverse split on the basis of a one-for-four ratio will be effective at the opening of the markets on December 23, 2020.

CDCC - Adjustment Details:

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

- **EFFECTIVE DATE:** December 23, 2020
- **OPTIONS SYMBOL:** HEXO will become HEXO1
- **NUMBER OF CONTRACTS:** Unchanged
- **MULTIPLIER:** 25
- **NEW DELIVERABLE PER CONTRACT:** 25 common shares of HEXO Corp.
- **STRIKE PRICES:** Strike Prices will be multiplied by four
- **NEW CUSIP :** 428304 30 7
- **POSITION AND EXERCISE LIMITS:** Position and exercise limits will remain unchanged at 250,000 contracts

CDCC will not adjust any outstanding escrow receipts.

The Bourse - 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 reverse split and will therefore have to **be re-entered** into the Montreal Automated System (SAM) by the approved participants.

The existing series of HEXO options class will be transferred to the HEXO1 options class representing the new deliverable.

HEXO Corp.		
Symbol	Actual Strike Prices	New Strike Prices
HEXO1	\$0.50	\$2.00
HEXO1	\$0.75	\$3.00
HEXO1	\$1.00	\$4.00
HEXO1	\$1.25	\$5.00
HEXO1	\$1.50	\$6.00
HEXO1	\$1.75	\$7.00
HEXO1	\$2.00	\$8.00
HEXO1	\$2.25	\$9.00
HEXO1	\$2.50	\$10.00
HEXO1	\$3.00	\$12.00
HEXO1	\$3.50	\$14.00

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.

CDCC - Adjustment Details - Share Future:

- **EFFECTIVE:** **December 23, 2020**
- **FUTURES SYMBOL:** **FHX will be delisted**
- **BTIC SYMBOL:** **BHX will be delisted**
- **NUMBER OF CONTRACTS:** **N/A**
- **MULTIPLIER:** **N/A**

- **DELIVERABLE PER CONTRACT:** N/A
- **SETTLEMENT PRICES:** N/A
- **POSITION AND EXERCISE LIMITS:** N/A

Bourse de Montréal Inc. Adjustment Details - Share Future:

The existing series of FHX share future class will be delisted as there is no open interest in the contracts

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.

Anne Fiddes
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