

*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. 2021 - 005

January 5, 2021

### **FINAL CONTRACT ADJUSTMENT Husky Energy Inc. (HSE & FHS) Plan of Arrangement**

The Bourse and CDCC wish to inform you that Cenovus Energy Inc. (TSX: CVE) (NYSE: CVE) and Husky Energy Inc. (TSX: HSE) announced on January 4th, 2021, the completion of their previously announced plan of arrangement.

Pursuant to the terms of the Plan of Arrangement, Husky shareholders will receive 0.7845 of a Cenovus share plus 0.0651 of a Cenovus share purchase warrant in exchange for each Husky common share.

The common shares of Husky Energy Inc. will be delisted from the Toronto Stock Exchange at the close of business on January 05, 2021.

#### **CDCC - Adjustment Details:**

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

- **EFFECTIVE DATE:** January 06, 2021
- **OPTIONS SYMBOL:** HSE will become CVE1
- **NUMBER OF CONTRACTS:** Unchanged
- **MULTIPLIER:** 100
- **NEW DELIVERABLE PER CONTRACT:** 78 common shares Cenovus Energy Inc, a cash consideration in lieu of 0.45 (100 x 0.0045) Cenovus Energy Inc. common shares, 6 common share purchase warrants of Cenovus Energy Inc., and a cash consideration of 0.51 (100 x .0051) Cenovus Energy Inc. common share purchase warrants. A follow-up circular will confirm the amount.

**\*\*\* DELAYED SETTLEMENT \*\*\***

CDCC will delay settlement of the cash component of the CVE1 deliverable until the value of the Cenovus common share purchase warrant may be determined.

- **STRIKE PRICES:** Unchanged
- **NEW CUSIP :** 15135U 10 9 & 15135U 11 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 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 HSE options class will be transferred to the CVE1 options class representing the new deliverable.

<b>Husky Energy Inc.</b>		
Actual Strike Prices	Actual Class Symbol	New class symbol
\$ 1.50	HSE	CVE1
\$ 2.00	HSE	CVE1
\$ 2.50	HSE	CVE1
\$ 3.00	HSE	CVE1
\$ 3.50	HSE	CVE1
\$ 4.00	HSE	CVE1
\$ 4.50	HSE	CVE1
\$ 5.00	HSE	CVE1
\$ 5.50	HSE	CVE1
\$ 6.00	HSE	CVE1
\$ 6.50	HSE	CVE1
\$ 7.00	HSE	CVE1
\$ 7.50	HSE	CVE1

Husky Energy Inc.		
Actual Strike Prices	Actual Class Symbol	New class symbol
\$ 8.00	HSE	CVE1
\$ 8.50	HSE	CVE1
\$ 9.00	HSE	CVE1
\$ 10.00	HSE	CVE1
\$ 11.00	HSE	CVE1
\$ 12.00	HSE	CVE1
\$ 13.00	HSE	CVE1
\$ 14.00	HSE	CVE1
\$ 15.00	HSE	CVE1
\$ 16.00	HSE	CVE1
\$ 17.00	HSE	CVE1
\$ 18.00	HSE	CVE1
\$ 19.00	HSE	CVE1
\$ 20.00	HSE	CVE1
\$ 21.00	HSE	CVE1
\$ 22.00	HSE	CVE1
\$ 23.00	HSE	CVE1
\$ 24.00	HSE	CVE1
\$ 25.00	HSE	CVE1

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:** January 06, 2021
- **FUTURES SYMBOL:** FHS will be delisted
- **BTIC SYMBOL:** BHU 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 FHS 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 the Market Operations Department at (514) 871-7877. Clearing members may contact the CDCC Corporate Operations Department.

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