



## NOTICE TO MEMBERS

No. 2006 – 029

March 1, 2006

### FINAL CONTRACT ADJUSTMENT

#### SNC-Lavalin Group Inc. (SNC) Stock Split

**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.**

The Bourse and CDCC wish to inform you that on February 24, 2006, SNC-Lavalin Group Inc. (SNC) announced that its Board of Directors declared a three-for-one stock split of the company's outstanding common shares.

The three-for-one stock split will take the form of a stock dividend. Subject to final regulatory approval, each shareholder will receive two additional common shares of SNC for each common share held. The stock dividend will be payable on or about March 16, 2006 to shareholders of record at the close of business on March 10, 2006.

The Bourse and CDCC will issue a new notice only if the company does not obtain the final regulatory approval in a timely manner.

#### **Stock split - adjustment details:**

- **EX-DATE:** **March 8, 2006**
- **RECORD DATE:** **March 10, 2006**
- **PAYABLE DATE:** **On or about March 16, 2006**

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**CDCC - adjustment details:**

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

- **EFFECTIVE DATE:**                    **March 8, 2006**
- **OPTION SYMBOL:**                    **SNC**
- **NUMBER OF CONTRACTS:**    **Tripled**
- **NEW DELIVERABLE**                    **100 SNC common shares**  
**PER CONTRACT:**
- **STRIKE PRICES:**                    **An adjustment will be made for all existing series**
- **MULTIPLIER:**                        **100**
- **POSITION AND EXERCISE**            **Effective March 8, 2006, Position and Exercise Limits will be**  
**LIMITS:**                                **increased to 31,500 contracts**
- **CUSIP:**                                **78460T105**

**CDCC will not adjust any outstanding escrow receipts. Members who want to maintain margin relief for their entire position will be required to deposit additional escrow receipts.**

**The Bourse - adjustment details:**

It is important to note that on the effective date, all open orders on these options classes **will not be modified** to reflect the stock split and will have to **be registered again** into the Montreal Automated System (SAM) by the approved participants.



At the opening of business on March 8, 2006 the Bourse will adjust the Strike Prices for SNC series as indicated below:

<b><u>SNC-Lavalin Group Inc.</u></b>		
<b>Actual Strike Prices</b>	<b>New Strike Prices</b>	<b>Strike Price Codes</b>
\$ 78.00	\$ 26.00	T
\$ 84.00	\$ 28.00	B
\$ 90.00	\$ 30.00	F
\$ 96.00	\$ 32.00	J
\$ 102.00	\$ 34.00	M

Strike prices are subject to change, depending on the underlying value closing price on Tuesday, March 7, 2006.

**PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS CLASS ARE ADVISED OF THIS NOTICE.**

For further information, please contact Richard Bourbonnière, Vice-President, Market Operations, Bourse de Montréal Inc. at (514) 871-3548 or CDCC's Operations Department.

Michel Favreau  
Executive Vice-President and Chief Clearing Officer