

# AN INVESTMENT IN

CANADA'S SIX BANKS

TSX: BK, BK.PR.A



## Press Release: Canadian Banc Corp. Announces Successful Overnight Offering

**Toronto, ON – May 9, 2018 / Globe NewsWire:** Canadian Banc Corp. (the "Company") is pleased to announce it has completed the overnight marketing of up to 2,915,000 Preferred Shares and up to 2,915,000 Class A Shares of the Company. Total proceeds of the offering are expected to be approximately \$68.1 million.

The offering is being co-led by National Bank Financial Inc., CIBC World Markets Inc., Scotia Capital Inc. and RBC Capital Markets, and will also include TD Securities Inc., BMO Capital Markets, Canaccord Genuity Corp., Industrial Alliance Securities Inc., Echelon Wealth Partners, GMP Securities L.P., Raymond James Ltd., Desjardins Securities Inc., Mackie Research Capital Corporation, and Manulife Securities Incorporated.

The sales period of the overnight offering has now ended.

The offering is expected to close on or about May 23, 2018 and is subject to certain closing conditions including approval by the TSX.

The Preferred Shares were offered at a price of \$10.00 per Preferred Share to yield 5% and the Class A Shares were offered at a price of \$13.35 per Class A Share to yield 10%.

The closing price on the TSX of each of the Preferred Shares and the Class A Shares on May 8, 2018 was \$10.10 and \$13.68, respectively.

The net proceeds of the offering will be used by the Company to invest in a portfolio of six publicly traded Canadian Banks as follows:

Bank of Montreal	Canadian Imperial Bank of Commerce	Royal Bank of Canada
The Bank of Nova Scotia	National Bank of Canada	The Toronto-Dominion Bank

The Company's investment objectives are to:

### Preferred Shares:

- i. provide holders with cumulative preferential floating rate monthly cash dividends at a rate per annum equal to the prevailing Canadian prime rate plus 0.75% (minimum annual rate of 5.0% and maximum annual rate of 7%) based on original issue price; and
- ii. On or about December 1, 2018 or such other date as the Company may determine (the "termination date") to pay holders the original \$10 issue price of those shares.

### Class A Shares:

- i. provide holders with regular monthly cash distributions currently targeted to be at the annualized rate of 10% based upon the volume-weighted average trading price of the Class A Shares on the TSX for the last three trading days of the preceding month; and
- ii. On the termination date to pay holders the original \$15 issue price of those shares.

*The Company will today file an amended and restated preliminary short form prospectus, containing important information relating to the Preferred Shares and Class A Shares, with securities commissions or similar authorities in all provinces of Canada. The amended and restated preliminary short form prospectus is still subject to completion or amendment. Copies of the amended and restated preliminary short form prospectus may be obtained from your registered financial advisor using the contact information for such advisor, or from representatives of the underwriters listed above. Investors should read the prospectus before making an investment decision. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final prospectus has been issued.*