Press Release:

TSX SYMBOLS: BK, BK.PR.A
SUBJECT: OFR

Canadian Banc Corp. Announces Treasury Offering

TORONTO, ONTARIO – February 20, 2014 / Marketwired: Canadian Banc Corp. (the "Company') is pleased to announce it has filed a short form prospectus in each of the provinces of Canada with respect to an additional offering of Preferred Shares and Class A Shares (a "Unit") of the Company. The offering price per Unit is expected to be in line with current market prices. The offering will be co-led by National Bank Financial Inc., CIBC World Markets Inc., RBC Capital Markets and TD Securities Inc.

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

Shares held within the portfolio are expected to range between 5-20% in weight but may vary at any time. To generate additional returns above the dividend income earned on the portfolio, the Company will engage in a selective covered call writing program.

The Company's 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%, with a minimum annual rate of 5.0% and a 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 issue price ($10) 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 (effective September 17, 2013); and
ii. On the termination date to pay holders the original issue price ($15) of those shares.

The sales period of this overnight offering is expected to end at 12:00 p.m. EST on February 28, 2014. A copy of the preliminary short form prospectus is available from the syndicate of agents.

The syndicate of agents consists of National Bank Financial Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., TD Securities Inc., BMO Nesbitt Burns Inc., GMP Securities L.P., Canaccord Genuity Corp., Desjardins Securities Inc., Mackie Research Capital Corporation, Manulife Securities Incorporated and Raymond James Ltd.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Investors should read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

For further information, please contact Canadian Banc Corp. Investor Relations
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