

AN INVESTMENT IN

CANADA'S SIX BANKS

TSX: BK, BK.PR.A



Press Release: Canadian Banc Corp. Announces Overnight Offering

Toronto, ON – February 15, 2022 / Globe NewsWire: Canadian Banc Corp. (the “Company”) is pleased to announce it will undertake an offering of Preferred Shares and Class A Shares of the Company. The offering will be led by National Bank Financial Inc.

The Preferred Shares will be offered at a price of \$10.35 per Preferred Share to yield 4.8% and the Class A Shares will be offered at a price of \$15.75 per Class A Share with a target yield of 15.0%.

The closing price on the TSX of each of the Preferred Shares and the Class A Shares on February 14, 2022 was \$10.49 and \$15.71, respectively.

Since inception of the Company, the aggregate dividends paid on the Preferred Shares have been \$8.75 per share and the aggregate dividends paid on the Class A Shares have been \$17.64 per share, for a combined total of \$26.38 per unit. All distributions to date have been made in tax advantaged eligible Canadian dividends or capital gains dividends.

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 1.50% (minimum annual rate of 5.0% and maximum annual rate of 8.0%) based on original issue price; and
- ii. on or about the termination date, currently December 1, 2023 (subject to further 5 year extensions and it has been extended in the past) 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 15% based upon the volume-weighted average trading price of the Class A Shares for the last three trading days of the preceding month; and
- ii. on or about the termination date, currently December 1, 2023 (subject to further 5 year extensions and it has been extended in the past) to pay holders the original issue price of those shares.

The sales period of this overnight offering will end at 9:00 a.m. EST on February 16, 2022. The offering is expected to close on or about February 24, 2022 and is subject to certain closing conditions including approval by the TSX.

A prospectus supplement to the Company’s short form base shelf prospectus dated June 22, 2021 containing important detailed information about the Preferred Shares and the Class A Shares being offered will be filed with securities commissions or similar authorities in all provinces of Canada. Copies of the prospectus supplement and the short form base shelf prospectus may be obtained from your registered financial advisor using the contact information for such advisor, or from representatives of the agents listed above. There will not be any sale or any acceptance of an offer to buy the securities being offered until the prospectus supplement has been filed with the Securities Commissions or similar authorities in each of the provinces of Canada.

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