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CIRCULAR
March 28, 2013

**IMPLEMENTATION BY THE REGULATORY DIVISION
OF BOURSE DE MONTRÉAL INC. OF A SECURE
ELECTRONIC COMMUNICATION SOLUTION
- EMX-**

Summary

The purpose of this circular is to inform all approved participants of Bourse de Montréal Inc. (the Bourse) that the Bourse’s Regulatory Division (the Division) will be launching a secure electronic communication network which will enable for the use of e-mail encryption. The Division has elected to use Echoworx, a leading provider of managed encryption services for complete enterprise e-mail and data protection. The implementation of the “Encrypted Message Exchange” (EMX) solution will allow approved participants to securely transmit electronically any desired regulatory communications to the Division.

Usage of the EMX solution will not be compulsory for the time being. Approved participants wishing to use the solution must register with the Division as per the instructions provided further below. The Division will absorb all costs associated with the implementation and usage of the EMX solution. This solution will be the only means through which the Division will accept secured electronic communications.

Background

Following requests from many approved participants to be able to transmit information to the Division in a secure manner, the Division has sought out a universal solution that is easy to use and would meet industry standards regarding a secure and confidential mode of e-mail encryption.

After an in-depth review, the Division has contracted with Echoworx Corporation to use the Echoworx “Encrypted Message eXchange” or “EMX”, a solution that is already being used by other regulatory organizations in Canada.

What is EMX?

EMX is a secure web-based portal system that enables organizations to share confidential information within a secure environment.

All messages in the portal are digitally signed and all data remains encrypted while stored in the portal. This fully-hosted solution adheres to the most stringent security standards, is completely auditable and allows for large file sizes. The product does not require any hardware or infrastructure installation.

For more information, please consult the following link:

<http://www.echoworx.com/products/encrypted-message-exchange/>

Use of EMX for the Exchange of Regulatory Information

Although not compulsory, the Division strongly recommends the use of EMX for many types of communication such as:

1. Requests for Information - Whenever applicable, replies to requests for information made by the Division to an approved participant pursuant to article 4001 of the Rules of the Bourse (Information) and related to an examination, an investigation, a market analysis or any other type of information of a regulatory nature may be done through EMX. The EMX facility allows for attachments and all information to be exchanged in a fully secured and encrypted environment.
2. General & Miscellaneous Communication with the Division - An approved participant may use EMX at all times when corresponding with the Division regardless of the issue at hand.
3. Whenever large size files or data have to be transmitted to the Division.

Proposed EMX Rollout and registration

It is the intention of the Division to start granting approved participants the option of registering for EMX commencing April 1; 2013. Each approved participant will be eligible for two electronic mail boxes.

FAQ

The following are frequently asked questions relating to secure electronic regulatory communication using EMX and the Division's response to each:

How do I obtain access to EMX?

Approved participants who wish to obtain access to the EMX system must inform the Division accordingly. The request must be initiated by the Chief Compliance Officer of the approved participant and submitted via e-mail to bdmsurveillance@m-x.ca. Once the set-up is completed, the Division will provide the approved participant with further details for the set-up and use of the EMX mail boxes.

I understand that my firm is only eligible for two mail boxes. What if I want more employees to have access to EMX?

The Division suggests that every approved participant be given access to a maximum of two mailboxes. However, at the discretion of the Division, large firms which carry on multiple lines of business (for example, discount brokerage, institutional desk, etc.) may be given access to additional mail boxes. Such requests will be assessed on a case by case basis and must be directed to bdmsurveillance@m-x.ca.

How many passwords can be assigned to a group EMX mail box?

Only one password can be assigned to an EMX mail box. Therefore, each member of the distribution group may be aware of that password. Approved participants must be aware that this may compromise the security of their regulatory communications. The Division therefore recommends the implementation of effective internal policies devised to govern the use of these mail boxes and passwords.

What should be done when an employee leaves the firm?

Approved participants must notify the Division immediately (bdmsurveillance@m-x.ca) whenever an employee that has an EMX mailbox assigned to him (her) leaves the firm. The Division will then proceed to suspend that employee's account. After the account is suspended, it will no longer be accessible. Should any messages in the account be required, they can be retrieved by requesting them from EMX.

The Division strongly encourages each approved participant to periodically review how many EMX mail boxes are assigned to them to ensure that all e-mail boxes assigned to former employees have been suspended.

I cannot log in using my password. What's wrong?

For security reasons, the access to an EMX account will be locked if a password is incorrectly entered three times. Once locked-out, approved participants shall contact the Division in order to reset their password.

I lost my activation password, what do I do?

Activation passwords can be recreated by the Division and sent to approved participants.

I receive a Java error when attempting to access the EMX website. What's wrong?

EMX requires a Java-enabled internet browser (Recommended: Internet Explorer 6 or higher, Firefox 2.0 or higher).

How many attachments can I include with a message?

You can send a maximum of one hundred (100) attachments with an EMX message.

What is the total maximum size for all attachments included with an EMX message?

The maximum size of all attachments cannot exceed 50 MB.

What is the maximum storage capacity of my EMX account?

Each user has 500 MB of space. To check your capacity status, click on "Status" (top right corner).

I have reached the maximum size of my EMX account and I cannot receive any new messages. What can I do?

If you have reached the size limit of your EMX account, you can free space by permanently deleting messages in the "Deleted Items" and "Sent Folders". Should you wish to retain a copy of the messages, you will be able to save a copy of your messages onto your computer prior to deleting them. Simply open the message you wish to save and click on the "Save" button on the ribbon at the top of the message. Any attachments need to be saved separately.

I have deleted a file from the "Deleted Items" folder. Can I recover it?

No. All files deleted from the "Deleted Items" folder are permanently deleted.

How long are messages kept in my inbox before being automatically deleted?

Messages are kept indefinitely. They are not automatically deleted.

Can I send an EMX message to a non-EMX user?

Yes. You can send EMX messages to non-EMX subscribers. You will then be prompted to create a security question that the recipient must answer in order to open the email.

Can non-EMX users respond to e-mails?

Yes. Users who are sent e-mails from the EMX community can respond to that e-mail.

Can I add users to my EMX mail list who are not registered EMX users?

No.

For further information please contact Nathalie Tessier, Administrative technician, Regulatory Division, at 514-787-6552, or by e-mail at ntessier@m-x.ca.

Jacques Tanguay
Vice-President, Regulatory Division.

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