☐	**Trading – Interest Rate Derivatives**	☒	**Back-office – Options**
☐	**Trading – Equity and Index Derivatives**	☐	**Technology**
☒	**Back-office – Futures**	☐	**Regulation**

CIRCULAR
April 5, 2007

FUTURES CONTRACTS MARGIN REQUIREMENTS, INDEX PRODUCTS FLOATING MARGIN RATES, CURRENCY OPTION MARGIN RATES AND TRACKING ERROR MARGIN RATES

Bourse de Montréal Inc. (the Bourse) sets futures contracts margin rates, index products floating margin rates and tracking error margin rates and currency options margin rates. The Bourse updates these rates on a monthly basis or when justified by market conditions.

The Bourse, in collaboration with Canadian Derivatives Clearing Corporation (CDCC), has determined that futures contract margin rates, in the case of speculators and hedgers, must be modified as follows:

FUTURES CONTRACTS	MARGIN TYPE	PREVIOUS RATE	NEW RATE
ONX - 30-Day Overnight Repo Rate	Speculator	$1,100	**$750**
	Hedger	$1,000	**$700**
BAX - Three-month Canadian Bankers' Acceptance	Speculator	$350	**$400**
	Hedger	$300	**$350**
CGZ - Two-year Canadian Government Bond	Speculator	$550	**$550**
	Hedger	$500	**$500**
CGB - Ten-year Canadian Government Bond	Speculator	$1,400	**$1,250**
	Hedger	$1,300	**$1,150**
SXF - S&P/TSX 60 Index	Speculator	$6,100	**$6,050**
	Hedger	$5,900	**$5,850**
SXA - S&P/TSX Global Gold Index	Speculator	$6,500	**$6,000**
	Hedger	$6,300	**$5,800**
SXB - S&P/TSX Capped Financials Index	Speculator	$1,300	**$1,600**
	Hedger	$1,200	**$1,500**
SXH - S&P/TSX Capped Information Technology Index	Speculator	$1,100	**$1,000**
	Hedger	$1,000	**$950**
SXY - S&P/TSX Capped Energy Index	Speculator	$4,400	**$4,600**
	Hedger	$4,200	**$4,400**

1. The "Speculator" designation applies to all clients, except acceptable institutions, acceptable counterparties, regulated entities and bona fide hedgers, as defined in the Rules and Policies of the Bourse.

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FUTURES CONTRACT SPREAD POSITIONS

The following is a summary of the margin rates applicable to spread positions in futures contracts listed at Bourse de Montréal Inc.:

MARGIN TYPE	INDEX FUTURES CONTRACTS				
	SXF	SXA	SXB	SXH	SXY
SPREADS	$350	$100	$100	$100	$100

MARGIN TYPE	INTEREST RATE FUTURES CONTRACTS			
	ONX	BAX	CGZ	CGB
SPREADS	$132	$87	$400	$200
BUTTERFLY (consecutive expiry months)	N/A	$ 90	N/A	N/A
BUTTERFLY (non-consecutive expiry months)	N/A	$144	N/A	N/A

MARGIN ON INTER-COMMODITY SPREAD POSITIONS

SPREAD POSITION CGB-CGZ	PREVIOUS MARGIN RATE	NEW MARGIN RATE
Speculator	$2,010	**$1,830**
Hedger	$1,860	**$1,680**

Note : For margin and capital calculation purposes, since the size of the CGB and CGZ futures contracts are different, the above-mentioned margin may be used only if the pairing is made by taking into account the size difference of these futures contracts. This means that the spread position must consist of two (2) CGB futures contracts ($100,000 size) and one (1) CGZ futures contract ($200,000 size).

FLOATING MARGIN RATES

In regards to index products floating margin rates, the following rates have been determined:

FLOATING MARGIN RATES	BASKET OF INDEX SECURITIES		INDEX PARTICIPATION SHARES	
	PREVIOUS RATE	NEW RATE	PREVIOUS RATE	NEW RATE
S&P/TSX 60 Index	4.00%	**4.00%**	3.50%	**4.00%**
S&P/TSX Global Gold Index	9.75%	**9.25%**	9.50%	**9.25%**
S&P/TSX Capped Financials Index	3.00%	**3.50%**	2.75%	**3.50%**
S&P/TSX Capped Information Technology Index	5.50%	**5.50%**	5.50%	**5.25%**
S&P/TSX Capped Energy Index	6.75%	**6.75%**	6.75%	**6.75%**
S&P/TSX Capped Materials Index	N/A	**N/A**	6.50%	**6.50%**

CURRENCY OPTION MARGIN RATES

CURRENCY OPTION MARGIN RATES	RATES	
	PREVIOUS RATE	NEW RATE
USX - US Dollar Option	2.00%	**2.00%**

TRACKING ERROR MARGIN RATES

In regards to index products tracking error margin rates, the following rates have been determined:

TRACKING ERROR MARGIN RATES	PREVIOUS RATE			NEW RATE		
	Index and IPU	Index and Futures	IPU and Futures	Index and IPU	Index and Futures	IPU and Futures
S&P/TSX 60 Index	0.75%	1.50%	1.50%	**0.75%**	**1.50%**	**1.50%**
S&P/TSX Global Gold Index	1.25%	4.00%	4.00%	**1.25%**	**5.50%**	**5.75%**
S&P/TSX Capped Financials Index	0.75%	1.00%	1.25%	**0.75%**	**1.50%**	**1.75%**
S&P/TSX Capped Information Technology Index	2.00%	2.50%	2.75%	**2.00%**	**2.75%**	**2.75%**
S&P/TSX Capped Energy Index	1.00%	3.00%	3.00%	**1.00%**	**2.25%**	**2.50%**
S&P/TSX Capped Materials Index	3.00%	N/A	N/A	**1.50%**	**N/A**	**N/A**

These new margin requirements **will be effective at the close of business on Tuesday, April 10, 2007.**

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