



CIRCULAR
June 5, 2003

OFFICIAL CAPACITY ALLOCATION PRACTICE FOR SAM

Following the introduction of a new capacity allocation for market makers on equity options in January 2003, Bourse de Montréal Inc. (the “Bourse”) is implementing an official capacity allocation practice to encompass all activities on the Bourse with the objective of adequately managing the capacity for participants.

The official capacity allocation practice is effective June 30, 2003.

The official practice is as follows:

1. Equity and Bond Options Market

- a) Approved participants are allocated 2 messages per second (excluding the market making activities) (either one logical connection with 2 messages per second, or 2 logical connections with each a capacity of 1 message per second).
- b) Official market making firms are allocated, via a single logical connection, 1 Bulk Quote message per second for every two market maker assignments. Market Making firms’ software will have to be able to send Bulk Quotes messages in order to be eligible under these practices. The grandfather clause which was attributed to the previous market makers will cease to apply by June 30, 2004.

2. Futures Market (Future contracts and Options on Futures)

- a) Approved Participants are allocated 5 messages per second (either one connection with 5 messages per second, or a total number of 5 messages per second allocated amongst the total connections per firm).
- b) Firms that maintain markets on futures and options on futures will be allocated 5 messages per second (either one logical connection with 5 messages per second, or a total number of 5 messages per second allocated amongst the total connections per firm).

Circular no: 081-2003

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3. Backup

For a backup system, a firm is allocated 2 messages per second (either one logical connection with 2 messages per second, or two logical connections with each a capacity of 1 message per second).

In order to get assistance and support please contact the Technical Support Team at 1-877-588-8489.

Joëlle Saint-Arnault
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