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**CIRCULAR**  
May 31, 2012

**AMENDMENTS TO THE LIST OF FEES  
S&P/TSX 60 INDEX OPTIONS (SXO)**

On June 25, 2012, Bourse de Montréal Inc. (the “**Bourse**”) will reduce the multiplier of the S&P/TSX 60 Index Option (SXO) contract from \$100 per S&P/TSX 60 index point to \$10 per S&P/TSX 60 index point.

Market makers, brokers and end users of SXO options have requested a smaller contract multiplier with a view towards enhancing liquidity, improving investor accessibility and providing more precise hedging and trading opportunities. In addition, the decrease in contract size will align the notional value of the SXO with equity index options listed on international exchanges. Furthermore, the expected improvements in bid-ask spreads and liquidity should provide a more accurate measure for the Bourse’s S&P/TSX 60 VIX® volatility index (VIXC) which measures 30-day implied volatility of the Canadian stock market through market and trade data on the SXO.

**New Fee Structure**

A new fee structure will be implemented for SXO on June 25, 2012. Both the current and new fee structures are detailed below.

**CURRENT SXO FEE STRUCTURE**

<b>Client Type</b>	<b>Execution Fee</b>	<b>Regulatory Fee</b>
Client	\$0.50*	\$0.03
Approved Participant	\$0.50**	\$0.03
Market Maker	\$0.16	\$0.03
Liquidity Provider	\$0.16	\$0.03

\* Execution fees are capped at 10,000 contracts (\$5,000 per leg) under the Fee Cap Program for Clients.

\*\* A \$0.25 rebate is applied to execution fees on transactions of 1,000 contracts or more under the Rebate Program for Approved Participants; furthermore, execution fees are capped at 10,000 contracts (\$2,500 per leg) under this same program.

Circular no.: 084-2012

**NEW SXO FEE STRUCTURE**

<b>Client Type</b>	<b>Execution Fee</b>	<b>Regulatory Fee</b>
Client	\$0.25*	\$0.03
Approved Participant	\$0.25**	\$0.03
Market Maker	\$0.16	\$0.03
Liquidity Provider	\$0.16	\$0.03

\* Execution fees will be capped at 10,000 contracts (\$2,500 per leg) under the Fee Cap Program for Clients.

\*\* Execution fees will be capped at 10,000 contracts (\$2,500 per leg) under the Rebate Program for Approved Participants.

**Full Fee Rebate**

In order to stimulate trading and liquidity on SXO, the Bourse has decided to implement a full rebate on execution fees from June 25, 2012 to June 30, 2013, as well as a full rebate on regulatory fees from July 1, 2012 to June 30, 2013.

For further information, please contact Gladys Karam, Director, Equity Derivatives, Financial Markets by telephone at (514) 871-7880, or by email at [gkaram@m-x.ca](mailto:gkaram@m-x.ca).

Claude Cyr  
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