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CIRCULAR
October 20, 2004

**SPECIAL COMMITTEE – REGULATORY DIVISION –
COMPOSITION AND QUORUM**

**AMENDMENTS TO THE RULES REGARDING THE
SPECIAL COMMITTEE – REGULATORY DIVISION**

The Board of Directors of Bourse de Montréal Inc. (the Bourse) has approved amendments to the Rules regarding the Special Committee – Regulatory Division of the Bourse (the Committee). These amendments are effective immediately.

The amendments made to the Rules relate to the composition and quorum of the Committee and can be summarized as follows:

- it is no longer required that the Committee be composed of a specific number of members, thus leaving to the Regulatory Division the possibility to increase or to decrease the size of the Committee according to current needs. However, the requirement that a majority of members be independent remains unchanged;
- it is no longer required that the quorum necessary to hold a meeting of the Committee be composed of a specific number of members. According to the amended Rules, quorum will be reached when the majority of Committee members is present provided, however, that the majority of present members are independent members; and
- it is no longer required that at least one of the members of the Committee be also a member of the Board of Directors of the Bourse. The Board of Directors will therefore have the possibility, but not the obligation, to designate one of its members

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to sit on the Committee. It will also have the possibility, if this is deemed preferable, to designate any other person of its choice. Any such person being given the mandate to represent the Board of Directors on the Committee will not be considered as an independent member for the purpose of the Committee composition.

For further information, please contact Jacques Tanguay, Vice-President, Regulatory Division, at (514) 871-3518 or via e-mail at jtanguay@m-x.ca.

Joëlle Saint-Arnault
Vice-president, Legal Affairs and Secretary

Encl.