



CIRCULAR 138-22
November 10, 2022

REQUEST FOR COMMENTS

**PROPOSED AMENDMENTS TO THE RULES OF THE BOURSE REGARDING THE THREE-MONTH
CANADIAN BANKERS' ACCEPTANCE FUTURES (BAX) AND INTER-GROUP
STRATEGY BLOCK THRESHOLDS**

On October 26, 2022, the Rules and Policies Committee of Bourse de Montréal Inc. (the “**Bourse**”) approved amendments to the Rules of the Bourse regarding the minimum volume threshold for block transactions on the Three-Month Canadian Bankers’ Acceptance Futures (“**BAX**”) during regular hours, as well as the inter-group strategy block thresholds for Short-Term Interest Rate (“**STIR**”) Futures during regular trading hours.

Comments on the proposed amendments must be submitted at the latest on **DECEMBER 12, 2022**. Please submit your comments to:

Dima Ghozaïel
Legal Counsel
Bourse de Montréal Inc.
1800-1190 av des Canadiens-de-Montréal
P.O. Box 37
Montreal, Quebec H3B 0G7
E-mail: legal@tmx.com

A copy of these comments shall also be forwarded to the *Autorité des marchés financiers* (the “**Autorité**”) to:

M^e Philippe Lebel
Corporate Secretary and
Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640 Laurier boulevard, suite 400
Québec (Québec) G1V 5C1
Fax : (514) 864-8381
E-mail: consultation-en-cours@lautorite.qc.ca

Please note that comments received by one of these recipients will be transferred to the other recipient and that the Bourse may publish a summary of such comments as part of the self-certification process concerning this file. Unless specified otherwise, comments will be published anonymously by the Bourse.

Appendices

You will find in the appendices an analysis as well as the text of the proposed amendments. The implementation date of the proposed amendments will be determined by the Bourse, in accordance with the self-certification process as established by the *Derivatives Act* (CQLR, chapter I-14.01).

Process for Changes to the Rules

The Bourse is authorized to carry on business as an exchange and is recognized as a self-regulatory organization ("**SRO**") by the Autorité. The Board of Directors of the Bourse has delegated to the Rules and Policies Committee of the Bourse its powers to approve and amend the Rules, the Policies and the Procedures, which are thereafter submitted to the Autorité in accordance with the self-certification process as determined by the *Derivatives Act* (CQLR, chapter I-14.01).



PROPOSED AMENDMENTS TO THE RULES OF THE BOURSE REGARDING THE THREE-MONTH CANADIAN BANKERS' ACCEPTANCE FUTURES (BAX) AND INTER-GROUP STRATEGY BLOCK THRESHOLDS

I.	DESCRIPTION	2
II.	OUTLINE OF THE AMENDMENTS.....	3
III.	BACKGROUND	4
IV.	RATIONALE FOR THE AMENDMENTS AND APPROACH	6
V.	ANALYSIS OF IMPACTS	9
	a. <i>Impact on Market</i>	9
	b. <i>Impacts on technology</i>	9
	c. <i>Impacts on regulatory functions</i>	9
	d. <i>Impact on clearing functions</i>	10
	e. <i>Impact on Compliance with Laws</i>	10
	f. <i>Public Interest</i>	10
VI.	TIMING	10

Description

The Bourse de Montréal Inc. (the “Bourse”) hereby proposes to amend the rules of the Bourse (the “Rules”) regarding the minimum volume threshold for block transactions under Article 6.206 on the Three-Month Canadian Bankers’ Acceptance Futures (“BAX”) during regular trading hours (“RTH”), such that the minimum volume threshold between 6:00 am and 4:30 pm is 2,000 contracts for the first four quarterly BAX contract months (the “BAX Whites”), and 750 contracts for BAX quarterly contracts five through eight (the “BAX Reds”), as well , as well as the inter-group strategy block thresholds for Short-Term Interest Rate (“STIR”) Futures during regular trading hours (the “Amendments”).

To further support a seamless interest rate transition from CDOR¹-based underlying derivatives to CORRA²-based underlying derivatives, the Bourse proposes to introduce additional annotations for block strategies involving the trading of CORRA Futures³ and BAX, where the requirement is that each leg of the strategy meets the smaller of the threshold requirements for the underlying products.

The Bourse is of the view that a well-functioning block transactions market is desirable in the BAX and CORRA Futures markets to facilitate a smooth transition. The Bourse believes that these Amendments will better serve the needs of market participants and facilitate greater market efficiency through improved execution quality.

As capital markets continuously evolve and grow, participants are continuously looking for more efficient ways to transact, including the transaction of large orders. To that end, the Bourse’s block facility offers a convenient way for market participants to execute large transactions on a specific contract at a single price while minimizing disruption to the overall market. These transactions are privately negotiated between counterparties and, once agreed upon, must be submitted to the Bourse within a prescribed time delay for reporting purposes.

Outline of the Amendments

The Bourse proposes to amend article 6.206 of the Rules to reduce the minimum volume threshold for block transactions on the BAX Whites and the BAX Reds during RTH. Therefore, the minimum block volume threshold between 6:00 am and 4:30 pm ET shall be 2,000 contracts for BAX Whites, 750 contracts for BAX Reds, and the third year of BAX expiries (“BAX Greens”) will remain unchanged at 500 contracts.

Table 1: Proposed modifications to the block thresholds for BAX contracts

Current minimum volume thresholds during RTH (6:00 am to 4:30 pm)	Proposed minimum volume thresholds during RTH (6:00 am to 4:30 pm)
BAX Whites: 4,000 BAX Reds: 1,000 contracts BAX Greens: 500 contracts	BAX Whites: 2,000 contracts BAX Reds: 750 contracts BAX Greens: 500 contracts

¹ Canadian Dollar Offered Rate

² Canadian Overnight Repo Rate Average

³ Inclusive of the One-Month CORRA Futures (“COA”) and the Three-Month CORRA Futures (“CRA”) product

In order to determine the appropriate minimum volume threshold for BAX Whites and BAX Reds, the Bourse analyzed market data, consulted a number of market participants and market makers, and benchmarked block trade thresholds with comparable products (*ref. comparative analysis section*) at major international derivatives exchanges.

To maintain a consistent offering across its products, the Bourse also took into consideration the minimum quantity thresholds in place for the other block trade-eligible products, and compared the trading volumes and open interest of those products to those of BAX Whites and BAX Reds. The findings of this analysis have led the Bourse to propose a minimum quantity threshold of 2,000 contracts for BAX Whites and 750 for BAX Reds. The Bourse believes these thresholds strike a healthy balance between providing market transparency and fairness, while protecting clients from excess volatility and price disruption.

Table 2: Proposed addition to the block strategy transaction for inter-group strategy

Current block strategy transaction	Proposed block strategy transaction amendment
<p>(iii)</p> <p>Where a block strategy Transaction involves the trading of inter-group strategy Derivative Instruments (excluding futures/options combinations), each derivative leg of the strategy needs to meet its applicable minimum volume threshold.</p>	<p>(iii)</p> <p>Where a block strategy Transaction involves the trading of inter-group strategy Derivative Instruments (excluding futures/options combinations and STIR futures inter-group combinations), each derivative leg of the strategy needs to meet its applicable minimum volume threshold.</p> <p>Where a block strategy transaction involves the trading of CRA/BAX, COA/BAX and CRA/COA inter-group strategy instruments, each derivative leg of the strategy needs to meet the smaller of the block threshold requirement for the underlying products.</p> <p><i>Example (for illustration purposes): A participant contemplating a BAX/CRA block trade between the 'Reds' would need to consider at least 500 contracts for each derivative leg. 500 corresponds to the block threshold requirement for CRA and is deemed the smaller threshold between CRA Reds (500) and BAX Reds (1000 under current level).</i></p>

The proposed Amendments are deemed essential in the context of Canada's interest rate benchmark transition which necessitates healthy and robust BAX and CORRA Futures markets. As liquidity in CORRA Futures products is starting to develop, an efficient transition mechanism (from BAX to CORRA Futures) has been requested to accommodate the migration of large positions without impacting market dynamics. The maximum prescribed time delay for reporting block transactions to the Bourse would remain unchanged at 15 minutes, as with the other block trade-eligible products. The Bourse is of the view that the proposed Amendments remain

consistent with its objective of providing market participants with an efficient price discovery mechanism and hedging utility.

Background

The block transaction minimum volume thresholds are determined by the Bourse on the basis of market liquidity conditions. Clients involved in block markets are usually buy-side institutions that need to transact large sizes. When working with large positions, participants are often concerned that a large order size may have a negative and disruptive impact on the market by inducing excess volatility and price dislocations. When the order book cannot absorb sizable orders in an efficient manner, it creates unnecessary volatility which can disrupt orderly efficient markets and affect investor confidence. For these reasons, participants often prefer off-exchange transactions facilities to ensure that they can have all their contracts filled at a single price, with minimum market impacts.

The Bourse re-introduced in April 2021 block thresholds for the BAX Whites, following challenging liquidity conditions and the need to improve market efficiency. Block thresholds for the BAX Reds and Greens were re-introduced in 2015. Since their re-introduction, block transactions on BAX only represented a handful of trades per year.⁴ When it comes to block thresholds for strategy transactions, the Bourse introduced in 2018 amendments to clarify their applicability and introduce new language for inter-group strategies.

Participants involved in the BAX market are finding that, considering existing liquidity conditions, the block minimum thresholds for the BAX and BAX/CORRA Futures strategies are too restrictive and considered too high to engage in certain client transactions. Given the deteriorating BAX liquidity conditions in recent months, large size transactions are more challenging to execute in the listed market, and counterparties are more frequently choosing to break up large transactions into smaller orders or delay transactions to avoid market friction, leading to inefficiencies. Therefore, the Bourse proposes to offer participants desiring to execute large transactions commensurate to liquidity conditions the possibility to do so at accommodating thresholds without incurring costs associated with current liquidity levels. The reduced block threshold for BAX Whites and BAX Reds would provide greater market efficiency through improved execution quality while the language amendment for inter-group strategies would further support the interest rate benchmark transition.

Tables 2, 3, 4 and 5 below support the case that liquidity conditions for the BAX market have been more challenging since the start of the rate hike cycle. This market environment has been sustained for many months and the Bourse expects that, with CDOR's cessation coming at the end of June 2024, BAX liquidity is likely to face additional headwinds going forward, especially as participants migrate their exposure to CORRA Futures. The proposed block level for the BAX Whites corresponds to the level initially proposed by the Bourse in July 2020 before being amended to 4,000 contracts following an improvement in market conditions during a six month period. Considering below-par liquidity metrics compared to the ones presented in the 2020 analysis, and with no foreseeable catalyst to significantly improve them until the BAX contract fades out, the Bourse believes that the proposed thresholds are reasonable and deemed more suitable in the current market environment.

⁴ Block transactions on BAX represented 0.04% of volume in 2021 and represents 0.08% of volume in 2022 (August YTD).

Table 3: Total BAX ADV Distribution by colour for the last four years

	2019	2020	2021	2022 (August YTD)
Whites	82K	61K	56K	49K
Reds	35K	29K	47K	19K
Greens	2K	2K	8K	1K

Source: Montreal Exchange

Table 4: Average bid-ask spread for quarterly BAX contracts during RTH

Average bid-ask spread	White 1	White 2	White 3	White 4	Red 1	Red 2	Red 3	Red 4	Green 1	Green 2	Green 3	Green 4
2021	\$0.005	\$0.005	\$0.005	\$0.006	\$0.006	\$0.006	\$0.007	\$0.007	\$0.011	\$0.012	\$0.015	\$0.021
2022 (Aug YTD)	\$0.007	\$0.007	\$0.008	\$0.008	\$0.009	\$0.012	\$0.018	\$0.013	\$0.029	\$0.072	\$0.326	\$0.869

Source: Montreal Exchange

Table 5: Average bid and ask order sizes for BAX contracts at the first level of order book depth during RTH

Average depth (level 1)	White 1	White 2	White 3	White 4	Red 1	Red 2	Red 3	Red 4	Green 1	Green 2	Green 3	Green 4
2021	6,114	2,117	1,447	822	551	424	298	222	112	96	81	79
2022 (Aug YTD)	356	122	101	79	70	63	44	47	33	27	21	17

Source: Montreal Exchange

Table 6: Average bid and ask order sizes for BAX contracts at first five levels of order book depth during RTH

Average depth (level 1 to 5)	White 1	White 2	White 3	White 4	Red 1	Red 2	Red 3	Red 4	Green 1	Green 2	Green 3	Green 4
2021	21,096	10,233	8,860	6,045	3,411	2,723	1,978	1,660	637	508	366	287
2022 (Aug YTD)	1,512	656	641	504	507	444	309	324	99	77	62	46

Source: Montreal Exchange

Regarding the requirement for block transactions on BAX/CORRA Futures strategies, the Bourse received feedback from participants advising that, in the context of the benchmark transition, additional language should be added for this specific inter-group strategy. As multiple participants are looking to convert their BAX exposure into CORRA Futures exposure, a more accommodating procedure needs to be established given that those products are not at the same development stage. As both products have the same DV01,⁵ they are often traded in an equivalent number of contracts. As such, the default inter-group strategies listed by the Bourse for these products have a contract ratio of one-to-one. With the current block transaction procedure, a participant cannot trade this strategy as a block transaction unless the CORRA futures leg meets the corresponding BAX threshold, which can represent a significant percentage of open interest. The proposed amendment aims to fill this gap and improve trading efficiency between these two markets.

Rationale for the Amendments and Approach

OBJECTIVES: The Bourse proposes to amend the block thresholds for BAX White and Red contracts during regular trading hours to the list of eligible securities and derivative instruments under Article 6.206 Block Trades, in order to fulfill the objectives detailed below:

- To optimize the order activity that would otherwise be negotiated away from the organized market;
- To sustain activity in the BAX market and support a seamless transition to CORRA-based trading
- To facilitate greater market efficiency through improved execution quality and price certainty for large transactions;
- To align the Bourse with international best practices of major electronic derivatives exchanges.

The overall objective is to strengthen the functioning of the Canadian derivatives market and better serve the interests of market participants. Block transactions are intended to meet institutional demand for prompt and straightforward execution of large orders, as well as to mitigate the detrimental impact of large market-clearing trades on the quality of the order book. The intention of the Bourse is to make the level optimal available for trades that would otherwise be disruptive to the marketplace. The central limit order book (the “CLOB”) is expected to remain intact and the price discovery benefit offered by the market is expected to remain consistent.

COMPARATIVE ANALYSIS: Reducing the minimum volume threshold for block transactions on BAX White and Red contracts will harmonize the BAX with Short-Term Interest Rate (“STIR”) Futures markets around the world, such as the Eurodollar on CME, the Euribor and the Short Sterling on ICE, along with 90-day Bank Bills on ASX. Table 6 below demonstrates that other major and peripheral international STIR contracts have minimum volume thresholds for block transactions on the aforementioned quarterly expiries that are similar to what is proposed by the Bourse. The proposed Amendments are particularly in line with the block threshold structure of ASX for its 90-day Bank Bill futures contract. Compared to international standards for short-term interest rate futures contracts on benchmark rates, the Bourse’s proposed amendment is relatively conservative because the ADV to block threshold ratio (column 4 of Table 6) is smaller than most

⁵ Dollar value of a basis point, a risk measure often used to compare different interest rate instruments..

comparable products, which indicates that the threshold represents a higher percentage of the product's daily volume.

Table 7: Minimum volume threshold for block transactions on STIR futures

Futures contract (Exchange)	Average daily volume per contract year in 2022 (August YTD)	Current minimum volume threshold (during regular trading hours)	Ratio of average daily volume to block threshold
BAX (MX)	Whites: 49k Reds: 19k Greens: 1k	Whites: 4 000 contracts Reds: 1 000 contracts Greens: 500 contracts	Whites: 24x* Reds: 25x* *with block threshold proposal of 2000 contracts for Whites and 750 contracts for Reds
Eurodollar (CME)	Whites: 759k Reds: 592k Greens: 306k	Whites: 4 000 contracts Reds: 4 000 contracts Greens: 4 000 contracts	Whites: 190x Reds: 148x
3M Sterling* (ICE) <i>*2021 figures as product ceased trading in December 2022</i>	Whites: 168k Reds: 182k Greens: 123k	Whites: 3 000 contracts Reds: 1 500 contracts Greens: 500 contracts	Whites: 56x Reds: 121x
90-day Bank Bills (ASX)	Spot month: 20k Months 2-5: 57k Months 6-7: 10k Months 8+: 4k	Spot month: blocks not allowed Months 2-5: 2 000 contracts Months 6+: 500 contracts	Spot month: N/A Months 2-5: 29x Months 6-7: 20x

Source: Bloomberg, Exchanges websites

In light of the above benchmarking, the Bourse considers the proposed amendment to be reasonable. Additionally, the proposed language for minimum block threshold on STIR inter-group strategies remains in line with comparative policies in the industry. In particular, the proposed Amendments would be closely aligned with CME's procedure for similar products, as they are managing their own benchmark transition in converting Eurodollar Futures into SOFR futures.

Table 8: Minimum volume threshold for block inter-group strategy transactions on STIR futures

Exchange	Description	Example
MX Proposed	When a block strategy transaction involves the trading of CRA/BAX, COA/BAX and CRA/COA inter-group strategy instruments (excluding options on BAX and CORRA), each derivative leg of the strategy needs to meet the smaller of the threshold requirements for the underlying products.	Resulting BAX/CRA strategy block thresholds: minimum of 500 contracts per leg.

CME	In Short Term Interest Rate futures, inter-commodity futures spreads, including the Three-Month Eurodollar Futures and Three Month SOFR Futures inter-commodity futures spread (code: SED), may be executed as block trades provided that each leg of the spread meets the smaller of the threshold requirements for the underlying products	Resulting ED/ SOFR Futures strategy block thresholds: minimum of 1000 contracts per leg (3M SOFR); 500 contracts per leg (1M SOFR)
ICE	Inter-commodity futures spreads , inter-commodity options spreads and inter-commodity combination transactions may be executed as block trades provided that the sum of the quantities of the legs of the transaction meets the largest minimum threshold quantity requirements for the underlying products.	Resulting 1M SONIA / 3M SONIA Futures strategy block thresholds: sum of the leg quantities being 2 500 contracts (considering it meets the larger of threshold among products involved)
Eurex and ASX	No information available for block thresholds applicable to inter-group strategy transactions	N/A

Source: Exchanges websites

Analysis of Impacts

(i) Impact on Market

As previously mentioned, the intention of the Bourse is to make block facilities more accessible in a context challenging liquidity while allowing trades that would otherwise be market disruptive. Clients involved in the block market are usually big buy-side institutions that need to transact large sizes. When working with large positions, participants are often concerned that a large order size may have a negative and disruptive impact on the market by inducing excess volatility and price dislocations. When the order book cannot assimilate sizeable orders in an efficient manner, unnecessary volatility is often observed, which can disrupt orderly efficient markets and affect investor confidence. For these reasons, participants often prefer off-exchange transaction facilities to ensure they can have all their contracts filled at a single price, with minimal market impact.

Many buy-side institutions have shown interest in engaging in block trades, particularly for BAX Whites, but levels are deemed too high. Reducing the aforementioned minimum block threshold would support BAX trading and favour trading at the exchange instead of relying on the opaque OTC market for large transactions. The Bourse believes that these Amendments along with the clarified language regarding inter-group strategies will not only better sustain BAX market liquidity but support a seamless transition towards CORRA, a key objective to both MX and the Bank of

Canada (via the Canadian Alternative Reference Rate Working Group).

Because block transactions are negotiated away from the prevailing best bid and offer in the central limit order book, the price of the block trade must be fair and reasonable in accordance with the prevailing rules. In determining the price, consideration must be given to factors such as the trade size, the trade prices observable in the market as well as bid and ask prices on the same contract at the relevant time period, the volatility and liquidity of the relevant market and general market conditions. Upon request, the approved participant who arranges a block trade must provide satisfactory evidence that the block trade has been arranged in accordance with the Rules of the Bourse. The control parameters (prescribed time delay and minimum quantity thresholds) of block transactions are determined in order not to adversely impact:

- liquidity;
- price;
- transparency;
- the Bourse's participants and their clients who are active on its market.

(ii) Impacts on technology

The proposed changes have no impact on the technological systems of the Bourse, CDCC, approved participants, independent software vendors, or any other market participant. The Bourse has not identified any impediments, whether technical, operational or other, to the implementation of the proposed Amendments.

(iv) Impacts on regulatory functions

The proposed changes have no impact on the regulatory functions of the Bourse.

(ii) Impact on clearing functions

The proposed changes have no impact on the clearing functions of CDCC, on CDCC's Rules and Operations Manual, nor on CDCC's Clearing Members, or other Industry participants dealing with CDCC.

(iii) Impact on Compliance with Laws

The proposal has no impact on the compliance, supervision and reporting rules on the Bourse. Participants engaged in block transactions (regardless of the size of the trade and the reporting time delay applicable) should comply with the Rules of the Bourse and are subject to the oversight of the Regulatory Division of the Bourse. As a reminder, participants must at all times adhere to the principles of good business practice in the conduct of their affairs. Specifically for block transactions, the Bourse would like to remind participants that practices such as front running (article 7.6) are prohibited.

(iv) *Public Interest*

The Bourse is of the view that the proposed Amendments are not contrary to the public interest. In fact, the public and market participants generally request clear rules that are consistent with the best practices of other international derivatives exchanges.

The Bourse's proposal should attract additional trading volume by offering market participants accessibility, certainty of price, immediacy of execution in the transaction of large orders, as well as the benefits of central counterparty clearing. As such, optimized levels for blocks on BAX White and Red contracts should result in greater market efficiency through improved execution quality. Block trades offer both clients and approved participants the convenience of privately negotiating a trade with a selected counterparty and the ability to execute a large transaction at a fair and reasonable single price. Furthermore, block trade data provide a useful means for the market to analyze and value a security.

The drafting process was initiated at the request of market participants desiring access to block facilities in the BAX market, the existing thresholds for which levels were too high, and wanting to engage in more CRA/BAX strategies. The Bourse considers these Amendments to be in the public interest as they will allow for better trading and hedging practices for market participants. Furthermore, details of block transactions are publicly available after the reporting delay, providing more transparency compared to the competing over-the-counter market.

Timing

Following receipt of regulatory approval, we intend to implement the Amendments as early as Q4-2022, subject to members having made the necessary changes.

APPENDIX A

BLACKLINED VERSION OF THE AMENDMENTS

Article 6.206 Block Trades

(a) In general. Approved Participants may negotiate and execute a Transaction off of the Electronic Trading System pursuant to the following conditions:

(i) A block trade Transaction may be arranged and executed only during trading hours on the Bourse for the eligible derivative.

(ii) Block trades are only permitted in the Derivative Instruments and for a quantity which meets or exceeds the minimum volume thresholds as follows (only to the extent the eligible security or derivative instrument is available for trading):

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
	(As soon as practicable and in any event within the following time delay)		(As soon as practicable and in any event within the following time delay)	
One-Month CORRA Futures Contracts (COA)	15 minutes	500 contracts	1 hour	100 contracts
Three-Month CORRA Futures Contracts (CRA)	15 minutes	500 contracts	1 hour	100 contracts

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
Ten-Year Government of Canada Bond Futures Contracts (CGB)	15 minutes 30 minutes	1,500 contracts 3,500 contracts	1 hour	350 contracts
Two-Year Government of Canada Bond Futures Contracts (CGZ)	15 minutes	1,500 contracts	1 hour	100 contracts
30-Year Government of Canada Bond Futures Contracts (LGB)	15 minutes	250 contracts	1 hour	100 contracts

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
Five-Year Government of Canada Bond Futures Contracts (CGF)	15 minutes	1,000 contracts	1 hour	100 contracts
Options on Government of Canada Bond Futures Contracts (OGZ, OGF, OGB)	15 minutes	2,000 contracts	1 hour	500 contracts

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
Options on Three Month Canadian Bankers' Acceptance Futures Contracts	15 minutes	2,000 contracts	1 hour	500 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies one through four (BAX Whites)	15 minutes	2,000 contracts 4,000 contracts	1 hour	500 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies five through eight (BAX Reds)	15 minutes	750 contracts 4,000 contracts	1 hour	250 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies nine through twelve (BAX Greens)	15 minutes	500 contracts	1 hour	100 contracts

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
Three-Month Canadian Bankers' Acceptance Futures Contracts (BAX) / Options on Three-Month Canadian Banker's Acceptance Futures Contracts Strategy Instruments	15 minutes	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs	1 hour	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs
Government of Canada Bond Futures Contracts (CGZ, CGF, CGB) / Options on Government of Canada Bond Futures Contracts (OGZ, OGF, OGB) Strategy Instruments	15 minutes	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy leg	1 hour	Sum of the strategy legs: 500 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs

(iii) For strategies and combinations, block trades are permitted for quantities which meet or exceed the volume thresholds as follows:

Intra-group strategy Derivative Instruments	Each derivative leg of the strategy needs to meet the smaller of the volume threshold requirements for the underlying products
Inter-group strategy Derivative Instruments (excluding futures/options combinations and CRA/BAX, COA/BAX and CRA/COA inter-group strategy Derivative Instruments)	Each derivative leg of the strategy needs to meet its applicable minimum volume threshold
CRA/BAX, COA/BAX and CRA/COA inter-group strategy Derivative Instruments	Each derivative leg of the strategy needs to meet the smaller of the volume threshold requirements for the underlying products
Futures/options combinations strategy Derivative Instruments	The applicable minimum volume thresholds are defined in subparagraph 6.206(a)(ii)

[...]

CLEAN VERSION OF THE AMENDMENTS

Article 6.206 Block Trades

(b) In general. Approved Participants may negotiate and execute a Transaction off of the Electronic Trading System pursuant to the following conditions:

(i) A block trade Transaction may be arranged and executed only during trading hours on the Bourse for the eligible derivative.

(ii) Block trades are only permitted in the Derivative Instruments and for a quantity which meets or exceeds the minimum volume thresholds as follows (only to the extent the eligible security or derivative instrument is available for trading):

Eligible derivatives instruments	Prescribed time delay (from 6AM until the end of the Trading Day)	Block - Minimum volume threshold (from 6AM until the end of the Trading Day)	Prescribed time delay (from 8PM (t-1) until 5h59m59s))	Block - Minimum volume threshold (from 8PM (t-1) until 5h59m59s)
	(As soon as practicable and in any event within the following time delay)		(As soon as practicable and in any event within the following time delay)	
One-Month CORRA Futures Contracts (COA)	15 minutes	500 contracts	1 hour	100 contracts
Three-Month CORRA Futures Contracts (CRA)	15 minutes	500 contracts	1 hour	100 contracts
Ten-Year Government of Canada Bond Futures Contracts (CGB)	15 minutes 30 minutes	1,500 contracts 3,500 contracts	1 hour	350 contracts

Two-Year Government of Canada Bond Futures Contracts (CGZ)	15 minutes	1,500 contracts	1 hour	100 contracts
30-Year Government of Canada Bond Futures Contracts (LGB)	15 minutes	250 contracts	1 hour	100 contracts

Five-Year Government of Canada Bond Futures Contracts (CGF)	15 minutes	1,000 contracts	1 hour	100 contracts
Options on Government of Canada Bond Futures Contracts (OGZ, OGF, OGB)	15 minutes	2,000 contracts	1 hour	500 contracts
Options on Three Month Canadian Bankers' Acceptance Futures Contracts	15 minutes	2,000 contracts	1 hour	500 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies one through four (BAX Whites)	15 minutes	2,000 contracts	1 hour	500 contracts

Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies five through eight (BAX Reds)	15 minutes	750 contracts	1 hour	250 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies nine through twelve (BAX Greens)	15 minutes	500 contracts	1 hour	100 contracts

Three-Month Canadian Bankers' Acceptance Futures Contracts (BAX) / Options on Three-Month Canadian Banker's Acceptance Futures Contracts Strategy Instruments	15 minutes	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs	1 hour	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs
Government of Canada Bond Futures Contracts (CGZ, CGF, CGB) / Options on Government of Canada Bond Futures Contracts (OGZ, OGF, OGB) Strategy Instruments	15 minutes	Sum of the strategy legs: 2,000 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy leg	1 hour	Sum of the strategy legs: 500 contracts in which the options leg(s) volume must amount to at least 50% of the sum of the strategy legs

(iii) For strategies and combinations, block trades are permitted for quantities which meet or exceed the volume thresholds as follows:

Intra-group strategy Derivative Instruments	Each derivative leg of the strategy needs to meet the smaller of the volume threshold requirements for the underlying products
Inter-group strategy Derivative Instruments (excluding futures/options combinations and CRA/BAX, COA/BAX and CRA/COA inter-group strategy Derivative Instruments)	Each derivative leg of the strategy needs to meet its applicable minimum volume threshold
CRA/BAX, COA/BAX and CRA/COA inter-group strategy Derivative Instruments	Each derivative leg of the strategy needs to meet the smaller of the volume threshold requirements for the underlying products
Futures/options combinations strategy Derivative Instruments	The applicable minimum volume thresholds are defined in subparagraph 6.206(a)(ii)

[...]