



CIRCULAR 163-22
December 21, 2022

SELF-CERTIFICATION

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

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 Futures during regular trading hours.

These amendments were self-certified in accordance with the self-certification process as established in the *Derivatives Act* (CQLR, Chapter I-14.01).

These amendments attached herewith will become effective on December 30, 2022, after the market close. Please note that the revised articles will also be available on the Bourse’s website (www.m-x.ca).

The amendments covered by this circular were the subject of a request for comments published by the Bourse on November 10, 2022 (see Circular [138-22](#)). Following the publication of this circular, no comments were received by the Bourse.

For additional information, please contact Dima Ghozaiel, Legal Counsel, by email at dima.ghozaiel@tmx.com.

Dima Ghozaiel
Legal Counsel
Bourse de Montréal Inc.

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)
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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

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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

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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)

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