

<input type="checkbox"/>	Trading – Interest Rate Derivatives	<input checked="" type="checkbox"/>	Back-office - Options
<input checked="" type="checkbox"/>	Trading – Equity and Index Derivatives	<input type="checkbox"/>	Technology
<input type="checkbox"/>	Back-office – Futures	<input type="checkbox"/>	Regulation

**CIRCULAR**  
October 9, 2013

**ADDENDUM  
POSITION LIMITS**

**STOCK AND TRUST UNITS OPTIONS  
EXCHANGE TRADED FUNDS UNITS OPTIONS  
INDEX OPTIONS  
CURRENCY OPTIONS**

Please be advised that this document is an addendum to circular 163-2013, it lists position limits for net long or short positions of ShawCor Ltd., Cl. A (SCL) listed at Bourse de Montréal Inc. (the Bourse).

Position limits for stock and trust units options and Exchange Traded Fund units options are established and published on a quarterly basis by the Bourse based on the number of shares or units outstanding and the most recent six-month trading volume of the underlying security, in accordance with article 6651 of the Rules of the Bourse.

It is important to note that for any account, subparagraph D) 2 of article 6651 of the Rules of the Bourse allows to hold, for each class of options, an additional quantity of contracts not exceeding the position limit established by the Bourse for this class when such account holds either one of the hedge positions defined in subparagraphs D) 1.a) to D) 1.d) of this article. This effectively means that when options contracts are used for hedging purposes, position limits are doubled. Although it is not necessary to ask for any authorization from the Bourse to take advantage of this provision, approved participants and their clients who decide to use it must be able, upon request, to demonstrate their hedge position to the Bourse.

For cases where the above-mentioned increased position limit is insufficient or where the combination used for hedging purposes is different from those that are defined in the above-mentioned subparagraphs, approved participants and their clients can take advantage of the provisions of paragraph E) of article 6651 of the Rules and of Policy C-1 of the Bourse in order to ask, on behalf of a bona fide hedger, for an exemption from the position limits set by the Bourse.

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It must also be noted that article 6653 of the Rules of the Bourse provides that position limits can be adjusted following a stock split or a share consolidation of the securities underlying an option contract.

In accordance with article 6654 of the Rules of the Bourse, we remind you that all approved participants must report, no later than three business days following the last business day of each week, any gross long or short positions in excess of 250 contracts in the case of stock and trust units options, 500 contracts in the case of Exchange Traded Funds units options and currency options and 15,000 contracts in the case of index options.

For further information, please contact Mr. Giancarlo Percio, Senior Market Analyst, Regulatory Division, at 514 787-6484, or by e-mail at [gpercio@m-x.ca](mailto:gpercio@m-x.ca).

Pauline Ascoli  
Vice-President, Legal Affaires, Derivatives

Encl.

**POSITION LIMITS - STOCK AND TRUST UNITS OPTIONS**  
**October 2013**

<b>Symbol</b>	<b>Company Name</b>	<b>Position Limit</b>
<b>SCL</b>	Shawcor Ltd. Cl. A	<b>50,000</b>