CIRCULAR
December 15, 2005

SOLA™ THE NEW TRADING ENGINE OF BOURSE DE MONTRÉAL INC.
REPORT AND STATISTICS AFTER TWO MONTHS OF ACTIVITY

On October 24, 2005, Bourse de Montréal Inc. (the Bourse) successfully completed the installation of its new SOLA™ electronic trading engine software.

This new software, developed by the Bourse, provides approved participants with a more efficient handling of messages and increased processing capacity. The purpose of this new software deployment is to enhance the quality of service provided to approved participants of the Bourse, to enable the Bourse to remain competitive in the ever-changing global-trading arena and to position the Bourse in the technological forefront of trading systems.

SOLA™ allows for simultaneous trading of products offered on all markets—including the options and the futures contracts—on an integrated, extremely effective and powerful platform.

## OUTLINE OF SOLA™ MAJOR CHARACTERISTICS - BENEFITS TO APPROVED PARTICIPANTS OF THE BOURSE

1. **Exceptional response time**: the SOLA™ system provides an enhanced and stable response time.
   Benefit to approved participants: SOLA™ response time is improved by an average factor of five when compared with the previous trading engine (see statistics below). Planned evolutions over the next months will greatly improve this performance.

2. **Instant opening**: SOLA™ allows instant opening of all option classes listed and traded on the Bourse.
   Benefit to approved participants: prior to SOLA™ implementation, equity option classes listed on the Bourse had to be opened by lots, with an average delay of eight seconds for each lot. Following the implementation of SOLA™, all option classes are opened simultaneously in less than one second.

3. **Reliability**: SOLA™ uses availability management mechanisms that are integrated at the application level and that do not require complex hardware solutions.
   Benefit to approved participants: SOLA™ offers a better service level to the market.

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4. **High level of activity**: on November 22, 2005, overall Bourse volume totalled 319,987 contracts, with a corresponding value of 107 billion dollars.
Benefit to approved participants: the system can manage record volumes of activity without risk of market interruption. Furthermore, we have observed that market-making firms are more active since the SOLA^{TM} launch, improving the liquidity in the Canadian options market.

5. **Less need for support**: SOLA^{TM} user-friendly characteristics greatly facilitate its use.
Benefit to approved participants: the number of support calls to the Bourse from approved participants has considerably decreased since the installation of SOLA^{TM}.

RESPONSE TIME STATISTICS
Global performance of systems used at the Bourse has considerably improved, as detailed in the following statistics.
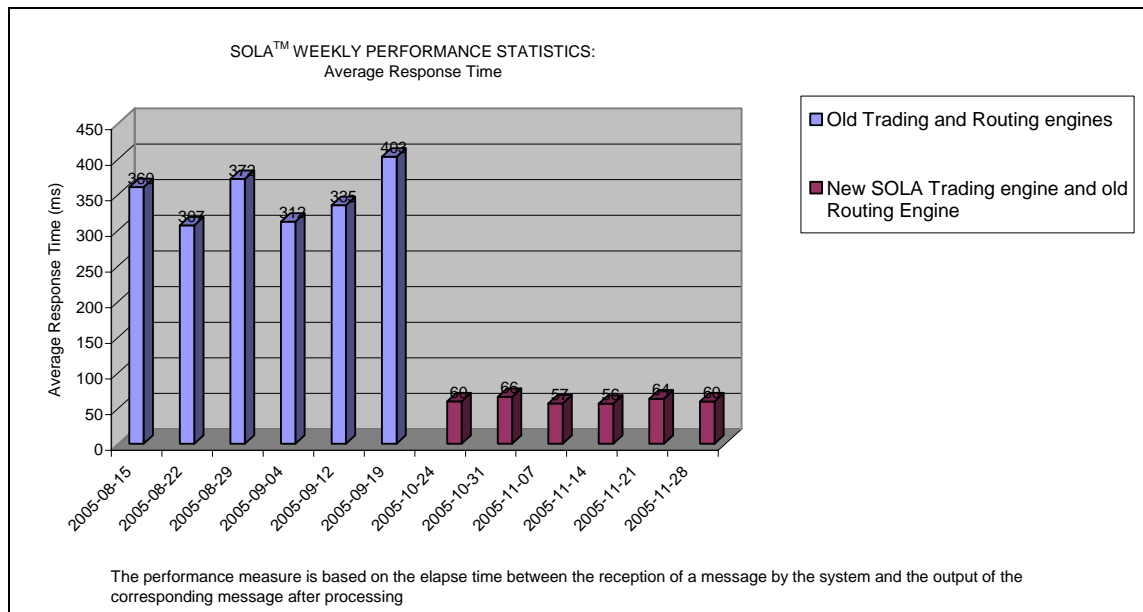
It is worth noting that less than one millisecond of the response time on average is attributable to the trading engine. The remaining time is a function of the routing engine.

The coming implementation (planned for June 2006) of the new SOLA^{TM} routing engine, also developed by the Bourse, will continue to add further significant reduction in the overall response time experienced by approved participants.

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