

# Application Form for the MX Liquidity Provider Rebate Program

We, \_\_\_\_\_ (the “Approved Participant/Foreign Approved Participant of the Montréal Exchange”), agree to sponsor \_\_\_\_\_ (the “Client”) for the MX Liquidity Provider Rebate Program (the “Program”). We certify that the Client conforms to the Requirements of Eligibility set out by Montréal Exchange Inc. (“MX”) in Schedule A, and we agree to the Terms of the Program set out in Schedule B.

## ■ Schedule A: Requirements of Eligibility

The Client falls under one of the following categories (check appropriate category):

- Proprietary Trading Firm:** An organization whose owners, employees and/or contractors trade solely in the name of accounts owned by the firm and exclusively use the funds of the firm for all of their trading activity. Such a firm must not be engaged in any agency trading for client accounts or client asset management.
- Arcade Trading Firm:** An organization that provides traders with trading infrastructure in exchange for a share of the generated profits. Owners, employees and/or contractors trade solely in the name of accounts owned by the trading arcade. The funds traded may only be those of the firm or a combination of the firm’s and trader’s funds.
- Frequent Trader:** An individual or a firm wholly owned by an individual trading in the name of accounts owned by the individual or firm. The trader’s prime occupation is trading. The trader is solely responsible for all profits and losses generated in the accounts of the Frequent Trader.

## ■ Schedule B: Terms of the Program

1. The Approved Participant/Foreign Approved Participant of the Montréal Exchange (“AP/FAP”) authorizes MX to allow rebates directly to the Client on a quarterly basis, should the Client meet the required volume thresholds, if any. However, it will be possible for MX to allow rebates directly to the AP/FAP at its request.
2. The AP/FAP authorizes MX to pass on to the Client any reduced execution and clearing fees provided for in this Program (before rebates mentioned in paragraph 1 above), as well as any credit on execution fees available to New Traders as mentioned in paragraph 8 below. However, it will be possible for MX to pass on directly to the AP/FAP said reduced fees and credit at its request.

3. The AP/FAP, directly or through its clearing member (responsible for the allocation process), will set up a sub-account on the Client's allocations that can be recognized by MX and will also set up a Multi-Purpose sub-account (i.e. client netted account) at the Canadian Derivatives Clearing Corporation ("CDCC").
4. The Client may apply for an exemption from the requirement set forth in paragraph 3 above should the Client be placing orders on MX with a broker by telephone. Should an exemption be granted, the Client or the AP/FAP must provide total volume traded per MX product within ten (10) business days of the last trading day of the month. Failure to provide such timely information may result in the Client's withdrawal from the Program.
5. MX reserves the right to audit Client statements at any time in order to verify the accuracy of reported Client trading volumes. Failure to provide accurate Client statements detailing trading activity on MX products may result in the Client's withdrawal from the Program.
6. MX reserves the right to modify and/or cancel the Program within thirty (30) days' notice.
7. Fees, rebates and volume thresholds are detailed in Appendix 1 of this Application Form.
8. Clients who have not been previously enrolled in the Program may be eligible for a six (6) month execution fee credit on all MX products under the MX New Trader Program. Refer to the MX New Trader Program Application Form for further information.

## Client

Name: \_\_\_\_\_ Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ Signature: \_\_\_\_\_  
 E-mail: \_\_\_\_\_ Telephone: \_\_\_\_\_

### Client Information

Street Address: \_\_\_\_\_ City: \_\_\_\_\_  
 Province/State: \_\_\_\_\_ Country: \_\_\_\_\_ Postal/ZIP Code: \_\_\_\_\_  
 Name of CDCC Clearing Member: \_\_\_\_\_  
 Multi-Purpose Sub-Account Number: \_\_\_\_\_

### Approved Participant/Foreign Approved Participant

Name of Authorized Person: \_\_\_\_\_ Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ Signature: \_\_\_\_\_

**Montréal Exchange Inc.**  
 Name of Authorized Person: \_\_\_\_\_ Title: \_\_\_\_\_  
 Date: \_\_\_\_\_ Signature: \_\_\_\_\_



# Appendix 1

## Liquidity Provider Rebate Program



CONTRACT		MONTHLY VOLUME THRESHOLD	REBATE	TRANSACTION FEE POST REBATE
<b>ONX</b>	All contracts	No threshold	\$0.16 per side	\$0.05
<b>OIS</b>	All contracts	No threshold	\$0.16 per side	\$0.05
<b>BAX</b>	1 <sup>st</sup> year cycle	First 10,000 contracts	\$0.00	\$0.21
		10,001 to 20,000	\$0.05 per side	\$0.16
		20,001 to 40,000	\$0.10 per side	\$0.11
		40,001 to 80,000	\$0.13 per side	\$0.08
		80,001 + contracts	\$0.16 per side	\$0.05
	2 <sup>nd</sup> year cycle	No threshold	\$0.16 per side	\$0.05
	3 <sup>rd</sup> year cycle	No threshold	\$0.16 per side	\$0.05
<b>OBX</b>	All contracts	No threshold	\$0.12 per side	\$0.08
<b>CGZ</b>	All contracts	No threshold	\$0.13 per side	\$0.08
<b>CGF</b>	All contracts	No threshold	\$0.13 per side	\$0.08
<b>CGB</b>	All contracts	First 5,000 contracts	\$0.00	\$0.21
		5,001 to 10,000	\$0.05 per side	\$0.16
		10,001 to 20,000	\$0.10 per side	\$0.11
		20,001 to 40,000	\$0.13 per side	\$0.08
		40,001 + contracts	\$0.16 per side	\$0.05
<b>LGB</b>	All contracts	No threshold	\$0.13 per side	\$0.08
<b>SXF</b>	All contracts	First 3,000 contracts	\$0.00	\$0.21
		3,001 to 6,000	\$0.05 per side	\$0.16
		6,001 to 12,000	\$0.10 per side	\$0.11
		12,001 to 24,000	\$0.13 per side	\$0.08
		24,001 + contracts	\$0.16 per side	\$0.05
<b>SXM*</b>	All contracts	First 6,000 contracts	\$0.00	\$0.06
		6,001 to 12,000	\$0.01 per side	\$0.05
		12,001 to 24,000	\$0.02 per side	\$0.04
		24,001 to 48,000	\$0.03 per side	\$0.03
		48,001 + contracts	\$0.04 per side	\$0.02
<b>SCF</b>	All contracts	No threshold	\$0.13 per side	\$0.08
<b>INDEX OPTIONS</b>	All contracts	No threshold	\$0.00 per side	\$0.16
<b>SHARE FUTURES</b>	All contracts	No threshold	\$0.00	\$0.16
<b>EQUITY, ETF AND CURRENCY OPTIONS</b>	Equity Options	No threshold	\$0.00	\$0.16
	ETF Options	No threshold	\$0.00	\$0.16
	Currency Option	No threshold	\$0.00	\$0.16

1. All fees are per contract, per side and are expressed in Canadian dollars.

2. Regulatory fees of \$0.03 per contract, per side apply.

3. The Liquidity Provider Rebate Program applies to frequent traders, arcades and proprietary trading firms registered with the Montréal Exchange.

\* In order to qualify for rebates on the SXM, liquidity providers are required to provide passive liquidity (price maker) on at least 40% of all trades.