

Date: April 1st, 2015

MODIFICATION TO THE REGULATORY DIVISION'S DAILY FUTURES CONTRACTS MARGIN RATES FILE LAYOUT

Pursuant to the Canadian Derivatives Clearing Corporation (CDCC) announcement of the official launch date to the modification of the margin methodology for the Three Month Canadian Bankers' Acceptance Futures contracts (BAX), [Notice 043-15](#), the Montreal Exchange (the Bourse) wishes to advise all its approved and foreign approved participants of the related changes to the Futures Contracts Daily Margin Rates file posted on the Montreal Exchange's Regulatory Division's (the Division's) website (http://reg.m-x.ca/en/regulation/futures_margins).

ANTICIPATED CHANGES

BAX Outrights

The Division's margin rate file will no longer contain one single hedger and speculator margin rate applicable to all BAX contract months. The file will now contain hedger and speculator margin rates for each of the BAX contract months individually. This will result in changes to the layout of the table containing the BAX margin rates.

BAX Strategies

The availability of distinct margin rates for each of the BAX contract months will enable the production of distinct margin rates for multiple BAX strategies. The Division's margin rate file will present BAX Spread and Butterfly margins rates through the use of the following tables:

- BAX Tier Structure
- Intra Commodity Spread Charges – Quarterly Butterfly
- Intra Commodity Spread Charges – Six Month Butterfly
- Intra Commodity Spread Charges – Nine Month Butterfly
- Intra Commodity Spread Charges – Yearly Butterfly
- Intra-Commodity Spread Charges – Inter Month Strategy

To obtain an example of the Division's new margin rate file containing the above-mentioned modifications as well as the corresponding layout specification, please contact the Technical Help Desk (THD) at 1-877-588-8489 or by email at SAMSUPPORT@m-x.ca. The margin changes and the new file format are planned for implementation on Monday, September 28, 2015.

For any comments, concerns or questions, please communicate with the Technical Help Desk (THD) at the aforementioned coordinates.

Thank you.

Technical Help Desk

Toll free: 1-877-588-8489

Telephone: 514-871-7872

Email: samsupport@m-x.ca

