

Advisory Notice A18-016

Clarification of block thresholds for strategy transactions and introduction of new block thresholds for BAX/OBX and CGB/OGB inter-group strategies

Pursuant to [Circular 138-18](#), the Montréal Exchange Inc. (the “Bourse”) wishes to inform its approved participants, software and data vendors that, effective as of September 4, 2018, the Bourse will update its rules regarding block strategy transactions and specifically introduce new thresholds regarding BAX/OBX and CGB/OGB. The table below summarizes the applicable criteria that will come into force as of the effective date:

Eligible Derivatives	Minimum Volume Thresholds
Intra-group strategies	Each derivative leg of the strategy needs to meet only the lowest applicable minimum volume threshold
Inter-Group strategies (excluding Futures/Options strategies)	Each derivative leg of the strategy needs to meet its applicable minimum volume threshold
BAX/OBX strategies	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
CGB/OGB strategies	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

Should you have any questions related to this announcement, please contact the MX Technical Help Desk at the coordinates below.

Regards,

Technical Help Desk

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