



Technical Notice

11-004

TO: MX Participants, Vendors and ISVs

FROM: Participant Connectivity Coordinator

SUBJECT: Production Enhancement Launch Dates for Implied Pricing Dissemination, User Defined Strategies, Intraday Listing and Order Modification Management

DATE: February 17, 2011

Following the Technical Notice 10-015, 10-019, and 11-002 this notice is to inform all clients that subject to compliance with the conditions set forth in the self-certification process as established in the Derivatives Act (R.S.Q. chapter I-14.01), the Montréal Exchange Inc. (MX) will launch the second phase of Implied Pricing (IP) on **Friday March 25, 2011**. Phase II consists of disseminating the 1st level of IP on the MX HSVF market data feed, activation of intraday listing and the functionality to support the creation of user defined strategies (UDS).

As part of the MX enhancements following the Technical Notice 10-017, MX will also activate on **Monday, March 7, 2011**, a new feature to manage order quantity modification. This will prevent the risk of overfilling in the case where an order quantity modification message crosses an execution notice message.

Technical Impacts

The following MX service will be impacted by the change:

Service	Impact
Implied prices dissemination (HSVF Protocol version - D2)	All clients are required to migrate to the new D2 protocol version (<i>refer to Technical Notice 10-015</i>). <ol style="list-style-type: none">1. Addition of 4 new fields (<i>refer to Technical Notice 10-019 and 11-002</i>)2. Implied prices will be available and optional for end users (<i>refer to Technical Notice 10-015</i>).3. The gap sequence messaging management will be mandatory for all end users (<i>refer to Technical Notice 10-015</i>).4. Intraday listing (<i>refer to Technical Notice 10-015</i>) The current protocol version (D1) will run in parallel until Friday, June 24, 2011.
User Defined Strategy (UDS)	Participants can request the definition of an instrument. <ol style="list-style-type: none">1. SAIL – (<i>refer to Technical Notice 10-015</i>).2. STAMP – (<i>refer to Technical Notice 10-015</i>).3. FIX – (<i>refer to Technical Notice 10-015</i>)
Order Quantity Modification Management	All clients are required to consult the previous notice for any information on this new feature. <ol style="list-style-type: none">1. SAIL – (<i>refer to Technical Notice 10-017</i>).2. STAMP – (<i>refer to Technical Notice 10-017</i>). As a reminder: The new version of STAMP will correct the problem of quantity management in CFO. <ol style="list-style-type: none">3. FIX – (<i>refer to Technical Notice 10-017</i>). As a reminder: FIX Participants who want to use this new feature need to contact the Technical Help Desk to have it activated.

As a reminder: The new version of STAMP will correct the problem of quantity management in CFO. Below is a STAMP example of the how the current and new order quantity management modes are processed.

Current Version

STAMP order entry command	Volume (tag 64)	ReferenceVolume (tag 43)	Price	Event	Comments
New Order 1 Buy	100	NA	25.00	Booked	
New Order 2 Sell	60	NA	25.00	Trade for 60 Contracts	Remaining qty is 40 for Order 1
Modify Order 1 add 30	130	40	25.00	Booked	Remaining qty is 130 (40 + 90) = 130

New Corrected Version effective March 7, 2011

STAMP order entry command	Volume (tag 64)	ReferenceVolume (tag 43)	Price	Event	Comments
New Order 1 Buy	100	NA	25.00	Booked	
New Order 2 Sell	60	NA	25.00	Trade for 60 Contracts	Remaining qty is 40 for Order 1
Modify Order 1 add 30	130	100	25.00	Booked	Remaining qty (40+30) = 70

Mandatory Conversion to HSVF D2 Version

All clients accessing the HSVF service in production will require converting to the **HSVF D2 version** by June, 24 2011. The HSVF D1 Version is currently available in production on a daily basis and will continue to run in parallel. Firms are encouraged to complete the conversion as soon as they are ready. Early adoption is highly recommended.

Production Environment

To help participants proceed with the transition to the new HSVF D2 version, both the current D1 and new D2 version will be running in parallel in the MX production environment. Both services will be available from the following locations:

Production Environment	IP and Port
New HSVF D2 Version	IP 198.235.29.182/192 Port 5250
HSVF D1 Version	IP 198.235.29.182/192 Port 5252

HSVF D2 Version Compliance Test, UDS and Order Qty Modification Certification

Clients connecting to the HSVF in production are required to complete the HSVF D2 Version Compliance Test by June 3, 2011.

Please contact Mark Bourcier by email at mbourcier@m-x.ca to schedule the HSVF D2 Compliance test. Clients who cannot complete the compliance test in this timeframe are required to advise Mark Bourcier.

Clients planning to support the UDS and the Order Quantity Modification Management functionalities are required to contact Mark Bourcier by email at mbourcier@m-x.ca to schedule a certification.

Please contact the Technical Help Desk at 1-877-588-8489 or by e-mail samsupport@m-x.ca , if you require assistance or any additional information on this Technical Notice

Test Environment

Should clients require testing, the new enhancements are available in the MX testing environment. We encourage all market participants to test these new functionalities in the test environment. This will ensure your readiness to support them in production.

To help participants proceed with the transition to the new HSVF D2 version, both the current D1 and new D2 version will be running in parallel in the MX test environment. Both services will be available from the following locations:

Application testing and support is available Mondays through Fridays, from 8:00 am (EST) to 4:30 pm (EST). After-hours testing is available without support on Mondays through Fridays, from 4:30 pm (EST) to 10:30 pm (EST).

MX ISV TEST Environment	IP and Port	
New HSVF D2 Version	IP - 198.235.29.28	Port 12311
HSVF D1 Version	IP - 198.235.29.28	Port 12310

Important Reminder - Please note that the MX ISV environment will be decommissioned on February 28, 2011. Clients are reminded that they need to plan their migration to move to the new MX GTE Environment.

MX GTE Environment	External Nat Address	VPN Nat Address	Port
New HSVF D2 Version	142.201.223.41	142.201.3.71	12311
HSVF D1 Version	142.201.223.41	142.201.3.71	12310

Contact Information

For additional information on this notice or if you require technical assistance or testing support, do not hesitate to contact the Technical Help Desk (THD) at 1-877 588-8489 or by e-mail at: samsupport@m-x.ca.

We thank you for your cooperation.

Participant Connectivity Coordinator