

## Technical Notice

11- 023

**TO:** Montréal Exchange Participants

**FROM:** Participant Connectivity Coordinator

**SUBJECT:** New Launch Date - SHARE FUTURES ON INDIVIDUAL CANADIAN STOCKS

**DATE:** November 21, 2011

Further to Notice 11-020, issued on October 20, 2011, this Notice has been issued to inform all Approved Participants and clients that the Montréal Exchange Inc. is expecting a new production launch date in early 2012 for the re-listing of Share Futures on individual Canadian stocks. The official timing of the launch will be communicated at a later date.

The launch date will be 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), and pursuant to obtaining the consent of regulatory authorities in other jurisdictions where required.

Share Futures will meet the needs of a diversity of participants, mainly institutional investors, hedge funds, portfolio managers and retail investors. The re-listing of Share Futures on Canadian single name stocks extends MX's offering in the equity derivatives product complex.

Share Futures on Canadian shares will be traded in Canadian dollars and physically delivered. They will have a trading unit (contract size) of 100 shares.

For all business related questions please contact our customer relations representative by telephone at 1-866-871-7878, or by e-mail at [info@m-x.ca](mailto:info@m-x.ca).

The Share Futures contract specifications are mentioned below.

Initial list of Underlying Canadian Stocks for Shares Futures that will be launched	Class Symbol Code	MX SSF Symbol Code
Bank of Montreal	BMO	FBO
Bank of Nova Scotia	BNS	FNS
Barrick Gold Corporation	ABX	FBA
BCE Inc	BCE	FBC
Canadian Imperial Bank of Commerce	CM	FCB
Canadian National Railway Company	CNR	FCN
EnCana Corporation	ECA	FEA
IAMGOLD Corporation	IMG	FIM
Manulife Financial Corporation	MFC	FMF
National Bank	NA	FNB

Royal Bank of Canada	RY	FRY
Suncor Energy Inc	SU	FSU
Sun Life Financial Inc	SLF	FLF
TD Bank (Toronto Dominion)	NA	FTD
Thomson Reuters Corporation	TRI	FRT

## Test Environment

The contracts are available in the MX testing environment should testing be required. Application testing and support is available Mondays through Thursdays from 8:00 am (EST) to 4:30 pm (EST), and Fridays from 8:00 am (EST) to 4:00 pm (EST). After-hours testing is available, without support, Mondays through Thursdays from 4:30 pm (EST) to 10:30 pm (EST).

## Contact Information

For additional information on this Notice or on Share Futures, or for technical assistance, please do not hesitate to contact the Technical Help Desk by telephone at 1-877 588-8489, or by e-mail at [samsupport@m-x.ca](mailto:samsupport@m-x.ca).

We thank you for your cooperation.

Participant Connectivity Coordinator

## Contact Specifications

		SHARE FUTURES ON INDIVIDUAL CANADIAN STOCKS
<b>Specifications</b>	<b>Trading Unit</b>	The trading unit shall be determined for each share futures contract.
	<b>Underlying</b>	Individual Canadian stocks.
	<b>Contract Months</b>	Quarterly and serials contract months.
	<b>Price Quotation</b>	Prices are quoted in Canadian cents and dollars per share for Canadian shares.
	<b>Last Trading Day</b>	Trading ceases at 4:00 p.m. (ET) on the third Friday of the contract month, providing it is a business day; if not, the first preceding business day.
	<b>Contract Type</b>	Delivery of the underlying stocks via the Canadian Depository for Securities Limited (CDS), on the third business day following the Last Trading Day.
	<b>Minimum Price Fluctuation</b>	CAN \$0.01 per share.
	<b>Reporting Limit</b>	The equivalence of 25,000 shares gross (long or short) in all contracts months combined.
	<b>Position Limits</b>	Varies between the equivalent of 1,350,000 shares and 7,500,000 shares net long or net short positions in all contract months combined. Information on position limits can be obtained from Bourse de Montréal Inc. as they are subject to periodical changes.
	<b>Final Settlement Price</b>	The trading unit of the corresponding share futures contract times the last trade price of the underlying stock at the close of the last trading day.
	<b>Minimum Margin Requirements</b>	Information on minimum margin requirements can be obtained from the Exchange as they are subject to periodical changes.
	<b>Exchange of Futures for Physicals (EFP) and Exchange for Risk (EFR)</b>	Approved Participants may exchange a futures position for a physical position (EFP) or an over-the-counter derivative instrument (EFR) of equal quantity by submitting a notice to the Bourse. EFPs and EFRs may be used to either initiate or liquidate a futures position.
<b>Minimum Margin Requirements</b>	Information on minimum margin requirements can be obtained from the Exchange as they are subject to periodical changes.	

	<b>Daily Price Limit</b>	A trading halt of a share futures contract will be invoked in conjunction with the triggering of a trading halt in the underlying stock.
	<b>Trading Hours</b> (Montréal time)	<ul style="list-style-type: none"> <li>▪ Early session: 6:00 A.M. to 9:15 A.M. (ET)*</li> <li>▪ Regular session: 9:30 A.M. to 4:00 P.M. (ET)</li> <li>▪ Extended session: 4:05 P.M to 4:30 P.M. (ET)</li> </ul> <p>*During the early session when the underlying stock is not open for trading on a Recognized Exchange in Canada, the last traded price registered in the underlying stock during that session on a Recognized Exchange or an Alternative Trading System as this term is defined in Regulation 21-101 Respecting Marketplace Operation (“Canadian ATS”) shall be used to determine the No Cancel Range for futures contracts on Canadian shares. In case of a last traded price registered on a Recognized Exchange outside of Canada, the relevant exchange rate published by Bloomberg will be used to convert the price in CAN dollars and cents.</p> <p>However, if there is no trade registered in the underlying stock on a recognized Exchange or Canadian ATS during the early session and in accordance with article 6393A of the Rules of the Bourse, a trading range of 5% price variation (upper price limit and lower price limit) from the previous day’s settlement price shall be applied to transactions on futures contracts on Canadian shares during the early session.</p>
	<b>Clearing Corporation</b>	Canadian Derivatives Clearing Corporation (CDCC).