



TO: Montréal Exchange Participants & Vendors

FROM: Market Access Manager

SUBJECT: MX Options Symbology Switch

DATE: November 15, 2013

The Montreal Exchange (MX) and the Canadian Derivatives Clearing Corporation (CDCC) are continuing to harmonize with the American and European equity option markets, by moving standard monthly expiration processing from Saturday to Friday evening. This alignment will change the expiration date in the symbology of all existing MX equity and ETF Options set to expire past February 1, 2015. The date will change from Saturday to Friday.

There will be no changes to the expiration processing of Options on Futures.

PRODUCTS IMPACTED

- Equity Options
- Options on ETFs

IMPLEMENTATION DATE

On **Friday, March 28, 2014** after the market close, all existing options expiring past February 1, 2015 will be assigned a Friday expiry date.

TECHNICAL and PARTICIPANT IMPACTS

The proposed changes will have no impact on the protocol specifications and technological systems of the MX. However, below are the fields for each protocol that will display the new Friday expiry. Customers that support any of the three protocols must be able to process the new date values.

MX PROTOCOL	Message	Field Name
HSVF (MX Market Data)	J - Option Instrument Keys	Expiry Day
		Instrument
		Instrument External Code

*All HSVF messages with the Expiry Date will reflect the new value.

MX PROTOCOL	Message	Field Name
FIX	d: Security Definition Acknowledgement	TAG # 205 - MaturityDay

*All FIX messages with the TAG #205 - Maturity Day will reflect the new value.

MX PROTOCOL	Message	Field Name
STAMP	QueryResponseMessage	FieldIdentifier = 55 (Symbol)
	SymbolResponse	

*All STAMP messages with the FieldIdentifier = 55 (Symbol) will reflect the new value.

The option symbology expiry date change will be executed on Friday, March 28, 2014, after the close of the market. The change will take effect the next business day, Monday, March 31, 2014.

During each of the option symbology expiry date change, the following changes will impact Participants:

- Instrument Symbols will change.
- SAIL Instrument IDs will change.
- Open orders, being GTCs, GTDs, and any remaining day orders, will be cancelled. (Open orders include orders on options instruments and option strategies with any leg having an option instrument impacted by the above symbology change.)

Open orders on the options for which the symbology will be changing should be cancelled prior to the Symbology Change. Since open orders will be cancelled for any option undergoing the option symbology switch, MX requests that Participants cancel any open orders for such options on Friday, March 28, 2014.

For SAIL protocol users, it is important to note the SAIL instrument IDs will be changing for all equity and ETF Options instruments expiring past February 1, 2015. SAIL users need to ensure that the new SAIL instrument dictionary has been downloaded from the HSVF market data gateway before the start of the market open on Monday, March 31, 2014. Failure to do so will result in **“unknown symbol”** errors and quote or order messages not being processed by MX.

STRATEGIES on OPTIONS

All option strategies containing at least one option leg impacted by the symbology change will automatically be deleted by the trading system.

No new option strategies will be created to replace deleted strategy instruments. Participants wishing to place an order on a strategy are required to re-create the corresponding strategies (with the updated option) by sending an instrument creation message (as is the case today for User-Defined Strategy creation on options) or by contacting the MX Market Operations Department.

OPTION SYMBOLOGY SWITCH TIMELINE

The following timeline describes the events that will take place during option symbology switch.

2014 DATE	EASTERN STANDARD TIME	PRODCUTION EVENT
Friday, March 28	9:30 AM - 4:00 PM	Participants can cancel all open orders (GTCs, GTDs, and remaining day orders) for option symbols replaced to a Friday expiry.
	4:00 PM - 6:00 PM	The MX Market Operations Department (MOD) will cancel all remaining open orders on options whose symbols are being replaced. Participants that remain connected to the trading system will receive an unsolicited cancel message for each open order. The MOD will provide a list of GTC & GTD cancelled orders to Participants. It is the Participants' responsibility to re-enter their GTC & GTD orders on Monday, March 31, 2014.
	6:00 PM	The trading system will be brought down and will not be available until Monday morning.
Monday, March 31	1:10 AM	The HSVF gateway will be available for Participant connection.
		SAIL Participants can download the new SAIL instrument dictionary using HSVF.
	4:30 AM	The SAIL & FIX gateways will be available for Participant connection.
	5:30 AM	The STAMP gateway will be available for Participant connection.
		Pre-Opening session for Equity and ETF Options. Participants can re-enter orders.
	9:30 AM	Market Opening for Equity and ETF Options.

GENERAL TEST ENVIRONMENT (GTE) and PREPARATION

To ensure client readiness, the options mentioned below, which carry Saturday expiries, have been made available in the MX GTE environment.

On **Friday, Nov. 22, 2013**, after the market close, the symbols bearing the Saturday date will be modify for Monday November 25, 2013. The options mentioned below will have their symbology replaced, with the expiration date in the symbology being changed from Saturday to Friday, to allow customers to test their systems. MX encourages Participants, service and data vendors to prepare and validate their system readiness in processing the new expiry date on the above-mentioned MX protocols.

Application testing and support is available Mondays through Fridays, from 8:00 AM (EST) to 16:30 PM (EST). After-hours testing is available without support on Mondays through Fridays, from 16:30 PM (EST) to 22:30 PM (EST).

2016 SATURDAY EXPIRY			
PRODUCT	GROUP NAME	CLASS SYMBOL	GROUP NAME
EQUITY OPTION	AGRIUM INC.	AGU	A3
	BANK OF MONTREAL	BMO	B4
	RCI.B ROGERS CLASS B	RCI	R2
	SUNCOR	SU	S2

2015 & 2016 SATURDAY EXPIRY			
PRODUCT	GROUP NAME	CLASS SYMBOL	GROUP NAME
ETF OPTION	ISHARES S&P/TSX 60 INDEX FUND	XIU	X0

CONTACT INFORMATION

For additional information on this notice or if you require technical assistance, please contact the Technical Help Desk.

TECHNICAL HELP DESK	
Toll-Free	1- 877-588-8489
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We thank you for your cooperation.

Market Access Manager