



Advisory Notice

14-013

TO: Montréal Exchange Participants
FROM: Market Access Manager
SUBJECT: Launch of Weekly Options
DATE: September 22, 2014

The purpose of this notice is to inform all participants that following the self-certification of the amendments to the Rules of Bourse de Montréal Inc. (hereinafter “the Bourse”), specifically article 6637 of Rule Six, the Bourse will begin listing Weekly options on December 4, 2014 to meet the needs of retail and institutional clients. Weekly options will initially be listed on ten (10) classes of equity and exchange-traded fund (ETF) options.

Weekly options will be available for trading as of the opening of the market on **Thursday, December 4, 2014**. Such options are identical to monthly options and are traded the same way with the exception that they are listed on a Thursday and expire on the following Friday provided it is a business day. If it is not a business day, trading will cease on the first preceding business day. Weekly options will never be listed on a week where their expiry would coincide with a regular monthly expiry (i.e. the second Thursday of the month).

Weekly options will be part of the same class as monthly options and the symbology will be identical to that of regular monthly options. The only difference is they will have a different expiry date. Weekly options will initially be listed on the following 10 classes:

| Company Name | Symbol | Company Name | Symbol |
|---|--------|-------------------------------|--------|
| Barrick Gold Corporation | ABX | Royal Bank of Canada | RY |
| BlackBerry Limited | BB | Suncor Energy Inc. | SU |
| Encana Corporation | ECA | Toronto Dominion Bank | TD |
| Goldcorp Inc. | G | Yamana Gold Inc. | YRI |
| Potash Corporation of Saskatchewan Inc. | POT | iShares S&P/TSX 60 Index Fund | XIU |

Please refer to the following circulars for the detailed analysis, objectives and contract specifications [083-14](#) and [161-12](#).

GENERAL TEST ENVIRONMENT (GTE) AND PREPARATION

Weekly options are available in the MX general test environment should participants require testing. Application and testing support is available Mondays through Fridays, from 8:00 a.m.

(EST) to 4:30 p.m. (EST). After-hours testing is available without support on Mondays through Fridays, from 4:30 p.m. (EST) to 10:30 p.m. (EST).

CONTACT INFORMATION

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

WEEKLY OPTIONS SPECIFICATIONS

| WEEKLY OPTIONS | | |
|-----------------------|--|--|
| SPECIFICATIONS | Underlying issues | <ul style="list-style-type: none"> i) Shares of eligible stock.* ii) Units of eligible exchange-traded funds.* <p>*Eligible for options listing, as determined by the eligibility criteria determined by the Canadian Derivatives Clearing Corporation (CDCC).</p> |
| | Eligibility criteria | Underlying issues must meet stringent eligibility requirements, including sufficient liquidity and market capitalisation. |
| | Trading units / Multiplier | <ul style="list-style-type: none"> i) One contract represents 100 shares (may be adjusted for stock splits, distributions, etc.) ii) One contract represents 100 units of an exchange-traded fund (may be adjusted for stock splits, distributions, etc.) |
| | Expiry cycle | Contracts are listed for trading at the open every Thursday, except the Thursday for which the regular option's expiration would occur on the third Friday of the expiration month, provided it is a business day. If it is not a business day, listing will occur on the first preceding business day. |
| | Minimum fluctuation of the option premium | <ul style="list-style-type: none"> ▪ Options priced below C\$0.10 = C\$0.01 ▪ Options priced at C\$0.10 or more = C\$0.05. <p>The premium per contract is obtained by multiplying the quote by 100 (e.g.: quote of C\$2.75 X 100 = C\$275).</p> <p>For more information on penny trading, refer to the latest Circular at http://www.m-x.ca/publi_circulaires_en.php.</p> |
| | Strike prices | At a minimum, five strike prices bracketing the current underlying issue's market price. |
| | Contract Type | American style. |
| | Last trading day | The Friday of the week following the listing of the option, provided it is a business day. If it is not a business day, trading will cease on the first preceding business day. |
| | Expiration day | The last trading day of the contract week. |
| | Position reporting threshold | <ul style="list-style-type: none"> i) 250 option contracts. ii) 500 contracts on the same side of the market, in all contract months combined. |
| | Position Limit | Information on position limits can be obtained from the Bourse as they are subject to periodic changes. |
| | Price limit | A trading halt will be invoked in conjunction with the triggering of "circuit breakers" on the underlying issues. |
| | Exercise | Via the Canadian Derivatives Clearing Corporation (CDCC). |
| Delivery | Via the CDS Clearing and Depository Services Inc. on the third business day following the exercise date. | |

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| | Trading hours | 9:30 a.m. to 4:00 p.m. The regular session opens at 9:30 a.m. Each option class will then open for trading when a trade occurs on its underlying issue on a recognised Canadian exchange. If no such trade has yet occurred, the option class will open for trading at 9:35 a.m. |
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We thank you for your cooperation.

Mark Bourcier
Market Access Manager