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CIRCULAR 021-16
February 12, 2016

**MODIFICATION OF THE MINIMUM QUOTATION SPREAD FOR EQUITY, ETF
AND INDEX OPTIONS CONTRACTS
END OF PILOT PROJECT AND IMPLEMENTATION OF A PERMANENT
PROGRAM
REPLACEMENT OF CLASSES**

On January 21st 2016, Bourse de Montréal Inc. (the “Bourse”) self-certified the amendments to article 6624 of Rule Six of the Bourse in order to specify the minimum price increments for equity and ETF options (the Bourse’s circular no 010-16). These amendments are part of the implementation of the permanent penny options trading program, given the pilot project will expire on February 26, 2016.

The Bourse will proceed with the periodical replacement of classes that have either been delisted from the Bourse or have been subject to a plan of arrangement.

The Bourse has modified certain classes in the Penny Program following changes in the underlying shares. These modifications reflect either, a change of name, a plan of arrangement or the replacement of a class. Volume of activity on the class during the six preceding months, market demand, and whether the class is interlisted on a US exchange will be the determining criteria for the replacement of a class.

The following classes will be removed from the Penny Program:

- AuRico Gold Inc. (AUQ1) - The Bourse’s circular no 076-15
- Brookfield Asset Management Inc. Cl. A (BAM2) - The Bourse’s circular no 050-15
- Catamaran Corporation (CCT1) - The Bourse’s circular 110-15
- Osisko Mining Corporation (OSK1) - The Bourse’s circular no 087-14
- Talisman Energy Inc. (TLM1) - The Bourse’s circular no109-15
- Thompson Creek Metals Company Inc. (TCM) - The Bourse delisted options on TCM due to the price of the underlying.

The following class will be modified as follows:

- Pacific Rubiales Energy (PRE) changed name to Pacific Exploration & Production Corporation - The Bourse’s circular no 101-15

Fortis Inc. (FTS), Arc Resources Ltd. (ARX), Whitecap Resources Inc. (WCP), Tahoe Resources Inc. (THO), Cardinal Energy Ltd. (CJ) and Franco Nevada Corp (FNV) will be added to the penny program in replacement of the classes that have been removed.

All these changes are reflected in the table below. Classes listed in Schedule A will be part of the Penny Program as of February 29th, 2016.

All series of the XEG, XFN, XGD and XIU option classes and all series priced below \$3.00 in the other equity options classes listed in Schedule A will be quoted in pennies. Series priced \$3.00 and higher in all options classes in Schedule A, other than XEG, XFN, XGD and XIU options series, will be quoted in increments of \$0.05.

For any questions, please contact the Market Operations Department at 514 871-7877 or Gladys Karam, Director, Equity Derivatives, by email at gkaram@m-x.ca.

Jean-François Bertrand
Vice-President, Market Operations, Services and Connectivity,
Financial Markets

Schedule A
MODIFICATION OF THE MINIMUM QUOTATION SPREAD FOR EQUITY, ETF
AND INDEX OPTIONS CONTRACTS – REPLACEMENT OF CLASSES IN THE
PENNY PROGRAM

Advantage Oil & Gas Ltd.	AAV
Agnico Eagle Mines Limited	AEM
Agrium Inc.	AGU
Arc Resources Ltd ¹ .	ARX
Athabasca Oil Corporation	ATH
Bank of Montreal	BMO
Bank of Nova Scotia (The)	BNS
Barrick Gold Corporation	ABX
Baytex Energy Corp.	BTE
BCE Inc.	BCE
BlackBerry Limited	BB
Bombardier Inc., Cl. B	BBD.B
Brookfield Asset Management Inc., Cl. A	BAM.A
CAE Inc.	CAE
Cameco Corporation	CCO
Canadian Imperial Bank of Commerce	CM
Canadian National Railway Company	CNR
Canadian Natural Resources Limited	CNQ
Canadian Oil Sands Limited	COS
Canadian Pacific Railway Limited	CP
Cardinal Energy Ltd. ²	CJ
Celestica Inc.	CLS
Cenovus Energy Inc.	CVE
CGI Group Inc., Cl. A	GIB.A
Cott Corporation	BCB
Crescent Point Energy Corp.	CPG

¹ Added to the program

² Added to the program

Dominion Diamond Corporation	DDC
Detour Gold Corp.	DGC
Eldorado Gold Corporation	ELD
Element Financial Corporation	EFN
Enbridge Inc.	ENB
EnCana Corporation	ECA
First Quantum Minerals Ltd.	FM
Fortis Inc ³ .	FTS
Franco Nevada Corp. ⁴	FNV
Gildan Activewear Inc.	GIL
Goldcorp Inc.	G
Gran Tierra Energy Inc.	GTE
Great-West Lifeco Inc.	GWO
Husky Energy Inc.	HSE
IAMGOLD Corporation	IMG
Imperial Oil Limited	IMO
iShares S&P/TSX Capped Energy Index ETF	XEG
iShares S&P/TSX Capped Financials Index ETF	XFN
iShares S&P/TSX Global Gold Index ETF	XGD
iShares S&P/TSX 60 Index ETF	XIU
Kinross Gold Corporation	K
Manulife Financial Corporation	MFC
MEG Energy Corp.	MEG
Methanex Corporation	MX
National Bank of Canada	NA
New Gold Inc.	NGD
Open Text Corporation	OTC
Pacific Exploration & Production Corporation ⁵	PRE
Pan American Silver Corp.	PAA
Potash Corporation of Saskatchewan Inc.	POT
Precision Drilling Corporation	PD
Progressive Waste Solutions Ltd.	BIN
Rogers Communications Inc., Cl. B	RCI.B
Rona Inc.	RON
Royal Bank of Canada	RY
Shaw Communications Inc., Cl. B	SJR.B
Sierra Wireless Inc.	SW

³ Added to the program

⁴ Added to the program

⁵ Name change from Pacific Rubiales Energy (The Bourse's circular 101-15)

Silvercorp Metals Inc.	SVM
Silver Standard Resources Inc.	SSO
Silver Wheaton Corp.	SLW
Sun Life Financial Inc.	SLF
Suncor Energy Inc.	SU
Tahoe Resources Inc. ⁶	THO
Teck Resources Limited, Cl. B	TCK.B
TELUS Corporation	T
Thomson Reuters Corporation	TRI
Toronto-Dominion Bank (The)	TD
TransAlta Corporation	TA
TransCanada Corporation	TRP
Turquoise Hill Resources Ltd.	TRQ
Valeant Pharmaceuticals International, Inc.	VRX
Veresen Inc.	VSN
Whitecap Resources Inc. ⁷	WCP
Yamana Gold Inc.	YRI

⁶ Added to the program

⁷ Added to the program