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CIRCULAR 046-17

April 11, 2017

REGULATION RESPECTING ELECTRONIC TRADING AND DIRECT ELECTRONIC ACCESS TO MARKETPLACES

On March 18, 2014, Bourse de Montréal Inc. (“the Bourse”) published circular [035-14](#) pertaining to amendments to article 6366 of its Rules, pursuant to Regulation 23-103 Respecting Electronic Trading and Direct Electronic Access to Marketplaces (“the ETR”), which became effective as of March 1, 2014.

One of the requirements of the ETR, reflected in subparagraphs 2.8 and 2.9 of article 6366 of the Rules of the Bourse, is the assignment by an Approved Participant or Foreign Approved Participant (“the Participant”) of a client identifier for each client granted direct electronic access (“DEA client”) to the Bourse.

This circular is intended to clarify the regulatory requirements with regards to client identifiers and introduce an enhanced client identifier form (enclosed) to help the Participant provide the required information to the Bourse. This circular intends to remind the Participant that the Bourse only requires a unique client identifier for each DEA client of the Participant, and not for clients of the DEA client.

The Bourse’s listed products are accessible through Independent Software Vendors (ISVs) which operate under two different protocols: SAIL and FIX. The Participant has the option of choosing its trading terminal application from the list of suppliers indicated at http://m-x.ca/connect_fournisseurs_en.php or using its own proprietary system. If the Participant chooses to use its own proprietary system, it must be certified by the Bourse before it is implemented.

1. FIX Protocol

The Participant must provide to the Bourse, using the enclosed FIX Protocol form (“the enclosed form”), a “SenderCompID” (Tag “49”) that is exclusive to each DEA client.

If the “SenderCompID” is not exclusive to each DEA client, the Participant may provide an exclusive “SenderSubID” (Tag “50”) for each DEA client.

If neither the “SenderCompID” nor the “SenderSubID” are exclusive to each DEA client, the Participant may provide an “Account” (Tag “1”) exclusive to each DEA client. It will not be required to identify the clients of DEA clients as the Bourse only requires the client identifier of the DEA clients.

- For example, if the Participant Part123 grants direct electronic access to its DEA client Bank456, the Bourse only requires the “SenderCompID” for Bank456.
- However, if the Part123 attributes the same “SenderCompID” to two DEA clients, Bank456 and Bank789, then Part123 may provide the default “SenderCompID” and a distinct “SenderSubID” for Bank456 and Bank789.
- Finally, if Part123 attributes the same “SenderCompID” and / or “SenderSubID” to Bank456 and Bank789, then Part123 needs to attribute two distinct “Account” numbers to Bank456 and Bank789.

Fields	Tag	Field Length	Format	Type	Assigned by
SenderCompID	49	4-8 characters	Alphanumeric	Default	MX
SenderSubID	50	Maximum 11 characters	Alphanumeric	Additional #1	MX
Account	1	Maximum 12 characters	Alphanumeric	Additional #2	The Participant

2. SAIL Protocol

Participants using the SAIL Protocol must provide to the Bourse, by using the enclosed SAIL Protocol form (“the enclosed form”), the default identifier “MX-ID” used by each DEA client.

If an “MX-ID” identifier is not used exclusively used for each DEA client, the Participant must attribute “Clearing Instruction” for each DEA client.

Fields	Field Length	Format	Type	Assigned by
MX Trader ID	Maximum 8 characters	Alphanumeric	Default	MX
Clearing Instruction	Maximum 8 characters	Alphanumeric	Additional	The Participant

As per the Bourse’s article 6366, the Participants are reminded that they must promptly inform the Bourse of any modification in the DEA client enclosed form.

The duly completed enclosed form must be emailed to the Bourse, at the following address: client_id_reg@tmx.com.

If the Participant has already attributed unique client identifiers to its DEA clients but is uncertain of the information that it provided to the Bourse, the Bourse highly recommends that the Participant contacts either its IT department for verification, or the Bourse’s Technical Help Desk, at 1-877-588-8489, or by email at samsupport@tmx.com with any additional questions.

For questions of a regulatory nature pertaining to article 6366 of the Rules of the Bourse, please contact the Regulatory Division, at (514) 787-6530 or toll-free at 1-800-361-5353 ext. 46530, or by email at info.mxr@tmx.com.

Julie Rochette
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