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CIRCULAR
March 14, 2006

**FOREIGN CURRENCY BALANCES HELD IN
REGISTERED RETIREMENT SAVINGS PLANS**

**AMENDMENTS TO THE NOTES AND INSTRUCTIONS OF STATEMENT A OF
THE JOINT REGULATORY FINANCIAL QUESTIONNAIRE AND REPORT –
POLICY C-3 OF THE BOURSE**

The Rules and Policies Committee of Bourse de Montréal Inc. (the Bourse) has approved amendments to the Notes and Instructions of Statement A of the Joint Regulatory Financial Questionnaire and Report (Policy C-3 of the Bourse) which deals with foreign currency balances held in registered retirement savings plans. These amendments become effective on March 31, 2006.

The amendments made will allow the treatment as allowable assets of foreign currency balances held by a registered account trustee who qualifies as an acceptable institution and which is a participating institution of either the Canadian Deposit Insurance Corporation of Canada (CDIC) or the Autorité des marchés financiers (AMF).

For further information, please contact Mr. Vito Racanelli, Financial Analyst, Regulatory Division at (514) 871-4949, extension 339, or by e-mail at vracanelli@m-x.ca.

Joëlle Saint-Arnault
Vice-President, Legal Affairs and Secretary

Circular no.: 054-2006
Amendment no.: 003-2006

STATEMENT A
NOTES AND INSTRUCTIONS

[comparative figures to be completed at audit date only]

Line 2 - The trustee(s) for RRSP or other similar accounts must qualify as an Acceptable Institution and such accounts must be insured by the Canada Deposit Insurance Corporation (CDIC) or Autorité des marchés financiers (AMF) to the full extent insurance is available. If not, then the Member must report 100% of the balance held in trust as non-allowable assets on line 28. RRSP and other similar balances held at such trustee(s), but for which CDIC or the AMF insurance is not available such as foreign currency accounts, can be classified as allowable assets. The name(s) of RRSP trustee(s) used by the Member must also be provided on Schedule 4.

Line 4 - For definition of Acceptable Clearing Corporations, see General Notes and Definitions.

Line 5 - For definition of Regulated Entities, see General Notes and Definitions.

Lines 4 and 5 - Securities on deposit (and related margin) should be included in balances reported on Inventory Schedule 2 and disclosed separately on line 11 of Schedule 2. This also includes securities on deposit with carrying brokers.

Line 12 - In the case of introducing brokers (pursuant to an approved introducing/carrying broker agreement) unsecured balances receivable from their carrying brokers, such as net commissions and deposits in the form of cash, should be reported on this line. Unsecured balances should only be included to the extent they are not being used by the carrying broker to reduce client margin requirements. Securities on deposit (and related margin) should be included in balances reported on Inventory Schedule 2 and disclosed separately on line 11 of Schedule 2.

In the case of the salesperson's portion of commissions and fees receivable, as recorded on line 22, to the extent that there is written documentation that the broker does not have a liability to pay the salespersons' commission until it is received, the salespersons' portion of the commission receivable is an allowable asset.

Lines 14 through 18 - Include only to extent receivable from Acceptable Institutions (for definition see General Notes and Definitions).

Line 14 - Include **only** overpayment of prior years' income taxes or current year installments. Taxes recoverable due to current year losses may be included to the extent that they can be carried back and applied against taxes previously paid. This line should not include deferred tax debits arising from losses carried forward.

Line 15 - Include GST receivables, capital tax, Part VI tax, sales and property taxes.

Line 19 - Allowable assets are those assets which due to their nature, location or source are either readily convertible into cash or from such creditworthy entities as to be allowed for capital purposes.

Line 20 - Report the cash or market value of securities lodged with Acceptable Clearing Corporations which represent fixed base deposits.

Line 21 - To the extent receivable from other than Acceptable Clearing Corporations, include all deposits whether margin deposits or variable and fixed base deposits.

Lines 22 and 23 - To the extent receivable from parties other than Acceptable Institutions.

Line 28 - Including but not limited to such items as:

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| • prepaid expenses | • deferred charges |
| • deferred income tax debits | • advances to employees |
| • cash surrender value of life insurance | • other receivables from other than Acceptable Institutions |
| • intangibles | • cash on deposit with non Acceptable Institutions |

Line 29 - Non allowable assets means those assets which do not qualify as allowable assets.

Line 58 - Include discretionary bonuses payable and bonuses payable to shareholders in accordance with share ownership.

Line 60 - Include current portion of deferred lease inducements.

Line 61 - Include unclaimed dividends and interest.

Line 68 - In those cases where it can be demonstrated that the leasehold inducement presents no additional liability to the Member firm (i.e. if the Member firm does not "owe" the unamortized portion of the inducement back to the landlord, thereby qualifying the landlord as a creditor of the Member firm), the non-current portion can be reported as capital on this line.

Line 71 - Include contributed surplus, if applicable.