



**TO: Approved Participants  
Chief Financial Officers  
External Auditors  
Holders of the Rules and Policies Manual**

**May 7, 2002**

**INTRODUCING / CARRYING BROKER AGREEMENTS  
AMENDMENTS TO ARTICLE 7470 OF THE RULES OF BOURSE DE MONTRÉAL INC.**

The Special Committee – Regulatory Division of Bourse de Montréal Inc. (the "Bourse") has approved amendments to article 7470 of the Rules of the Bourse. These amendments are effective immediately.

Until now, the provisions relating to carrying brokers contained in article 7470 provided that only approved participants were authorized to act as such. As for the introducing brokers, the same article provides that either approved participants, members or participating organizations of a self-regulatory organization can be introducing brokers.

The amendments made are aimed at harmonizing the provisions relating to carrying brokers with the provisions relating to introducing brokers. Thus, members and participating organizations of a self-regulatory organization that is a participant in the Canadian Investor Protection Fund will be allowed to act as carrying broker also.

The purpose of the other amendments is to improve the level of clarity of article 7470 without, however, modifying its essence. Thus, the French version of sections d) iii) and d) v) of the first paragraph has been amended in order to harmonize it with the English version. Furthermore, section d) iv) of this same paragraph has been amended in both languages in order to clarify the obligation for an introducing broker to carry out trade settlements and custody of securities related to its principal trading only through the facilities of its carrying broker.

For further information, please contact Chantal Villeneuve, Legal counsel, Regulatory Division, at (514) 871-4949, extension 360, or by e-mail at [cvilleneuve@m-x.ca](mailto:cvilleneuve@m-x.ca).

Joëlle Saint-Arnault  
General Counsel and Secretary  
Encl.

Circular no.: 058-2002  
Amendment no.: 008-2002

**Tour de la Bourse**  
C. P. 61, 800, square Victoria, Montréal (Québec) H4Z 1A9  
Téléphone : (514) 871-2424  
Sans frais au Canada et aux États-Unis : 1 800 361-5353  
Site Internet : [www.m-x.ca](http://www.m-x.ca)

**Tour de la Bourse**  
P.O. Box 61, 800 Victoria Square, Montréal, Quebec H4Z 1A9  
Telephone: (514) 871-2424  
Toll-free within Canada and the U.S.A.: 1 800 361-5353  
Website: [www.m-x.ca](http://www.m-x.ca)