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**CIRCULAR**  
May 13, 2011

**SELF-CERTIFICATION**

**AMENDMENT TO RULE SIX OF BOURSE DE MONTRÉAL INC. FOR THE ADOPTION OF RULES APPLICABLE TO MARKET MAKERS FOR FUTURES CONTRACTS**

The Rules and Policies Committee of Bourse de Montréal Inc. (the “Bourse”) has approved an amendment to Rule Six of Bourse in order to add *Section 6820 Market Makers - Futures*. The Bourse wishes to advise approved participants that the amendment to Rule Six was self-certified in accordance with the self-certification process as established in the *Derivatives Act* (R.S.Q., chapter I-14.01).

*Section 6820 Market Makers - Futures*, that you will find attached, will become effective on **May 16, 2011**. Please note that the amended Rule Six will also be available on the Bourse’s website ([www.m-x.ca](http://www.m-x.ca)).

For further information, please contact François Gilbert, Vice-President, Legal Affairs, Derivatives, at 514 871-3528 or at [legal@m-x.ca](mailto:legal@m-x.ca).

François Gilbert  
Vice President, Legal Affairs, Derivatives  
Bourse de Montréal Inc.

Circular no.: 089-2011

## **RULE SIX**

### **TRADING**

#### **D. SPECIAL RULES FOR TRADING FUTURES CONTRACTS**

##### **Section 6801 - 6820 Terms of Trade Futures**

6820 Market Makers - Futures  
(16.05.11)

- 1) In order to enhance the liquidity of the market and facilitate the handling of orders, the Bourse can execute a market making agreement with an Approved Participant or Foreign Approved Participant for one or many futures contracts listed on the Bourse. The market maker shall be required to maintain a two-sided market in the futures contracts designated by the Bourse.
- 2) Oversight and selection of market makers shall be the responsibility of the Bourse. Factors to be considered for the selection of market makers shall include the following: adequacy of capital, experience with trading of a similar derivative instrument, willingness to promote the Bourse as a market place, operational capacity, support personnel, history of compliance with the Rules of the Bourse and any other factor which the Bourse deems relevant.
- 3) Each market maker shall comply with the following obligations, including:
  - i) the market maker is obligated to promptly inform the Bourse of any material change in its financial or operational condition or in its personnel.
  - ii) A market making agreement can not be transferred without the prior approval of the Bourse.
  - iii) The market maker must fulfill his obligations towards the Bourse until the term of the market making agreement or until its termination thereof by the Bourse.
- 4) The Bourse may, at its discretion, terminate a market making agreement:
  - i) if, upon review, the Bourse determines that the performance of a market maker does not comply with the terms of the market making agreement;
  - ii) if a market maker incurs a material financial, operational or personnel change which could negatively impact his ability to satisfactorily perform his duties;
  - iii) if for any reason the market maker no longer complies with the terms of the market making agreement or the rules and procedures of the Bourse, if he advises the Bourse that he intends to cease to comply with the terms of the market making agreement or fails to fulfill his obligations.