CIRCULAR 101-26
July 27, 2026

REQUEST FOR PROPOSAL: MARKET MAKING PROGRAM FOR EXTENDED HOURS CGZ/CGF/CGB

Montréal Exchange Inc. ("MX") is issuing a Request for Proposal ("RFP") for a market making program on Ten-Year Government of Canada Bond Futures (**CGB**), Five-Year Government of Canada Bond Futures (**CGF**), and Two-Year Government of Canada Bond Futures (**CGZ**). This RFP is intended for Approved Participants and Foreign Approved Participants, as well as their eligible clients, interested in submitting proposals outlining their abilities and commitment towards trading and market-making activities for the Designated Contracts.

At the end of the RFP submission period, MX may proceed with the selection of up to one(1) participants.

Key dates:

Implementation Timeline*	Event
July 27, 2026	Distribution of RFP
Aug 10, 2026	Deadline for delivery of Business Cases and Proposals to MX
Aug 24, 2026	Notification of selected Market Makers
Sept 14, 2026	Deadline for signature of the Market Making Agreement
Oct 1, 2026	Launch of Market Making Program

** The proposed timeline is subject to change at the discretion of MX.*

You will find more information about the Market Making Program, as well as the Request for Proposal and Application in the appendix.

For additional information, please contact:

Robert Tasca, Managing Director, Derivatives Products and Services
Phone: 1 (514) 871-3501 | Email: Robert.tasca@tmx.com, or

Alexandre Prince, Executive Director, Interest Rate Derivatives
Phone: 1 (514) 244-4813 | Email: alexandre.prince@tmx.com

Robert Tasca
Managing Director, Derivatives Products & Services

MONTRÉAL EXCHANGE

Request for Proposal

Market Making of the 2y, 5y & 10y Government of Canada Bond Futures (CGZ/CGF/CGB) in Extended Hours

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Introduction and Purpose of the Request for Proposal

The Montréal Exchange “**MX**”) is inviting all approved participants/foreign approved participants or clients of approved participants/foreign approved participants with direct electronic access to MX who are interested in the new market making program described herein (the “**Market Making Program**”) to submit a proposal outlining their abilities and commitment towards the market making of MX’s Ten-Year Government of Canada Bond Futures (**CGB**), Five-Year Government of Canada Bond Futures (**CGF**), and Two-Year Government of Canada Bond Futures (**CGZ**) (a “**Proposal**”).

Background

MX’s goal to develop a sovereign yield curve dates to 1989 when the Ten-Year Government of Canada Bond Futures (CGB) was first listed. MX subsequently listed its Five-Year Government of Canada Bond Futures (CGF) in 1995, and Two-Year Government of Canada Bond Futures (CGZ) in 2004.

Market feedback consistently indicates that these products remain viable and that active bond contracts significantly benefit the Canadian bond market. As part of its continued efforts to promote and foster market liquidity, MX will implement a new Market Making Program for the CGB, CGF, and CGZ products as described in this Request for Proposal.

Program

Description of the Market Making Program

This is a combined program for the CGB, CGF, and CGZ products. As part of its efforts, MX will proceed, if the responses submitted are satisfactory, with the selection of **one (1) market maker** (the “**Market Makers**”) who will quote the Designated Contracts (as defined below).

Product Details and Quoting Hours:

- **CGZ and CGF Outrights:** Full coverage during Asia hours (8:00 pm – 2:00 am) and European hours (2:00 am – 7:00 am).
- **CGB Outrights:** Coverage during Asia hours only (8:00 pm – 2:00 am).

Qualifying Criteria

MX is seeking one Market Maker with ease of access to the underlying cash market in order to stimulate growth and product development. MX will consider candidates that can demonstrate their capabilities to provide the necessary market liquidity and product promotion to institutional clients, and that can achieve open interest thresholds, amongst other factors and obligations, in order to encourage product success in a way that meets the needs of the domestic and global investment community.

Firms interested in applying for Market Maker status must submit a short business case with this Request for Proposal outlining the reasons for which they are best qualified to fulfill the objectives described above. The business case should also address the applicant’s ability to effectively market the product to end users and attract new business. The applicant shall explain how its business model complements the efforts and the objective to develop the Designated Contracts and unlock their full potential.

Eligibility and Selection Criteria

All approved participants/foreign approved participants or clients of approved participants/foreign approved participants of MX are eligible to be appointed as a Market Maker.

MX will consider the criteria listed in article 3.112 of its Rules in selecting Market Makers, including:

- Technology: Automation capabilities which can be deployed to support efficient market making activities.
- Knowledge: Market Makers will be required to have the necessary skills and experience for the market making of interest rate products.
- Compliance with rules: Only approved participants/foreign approved participants or clients of approved participants/foreign approved participants in good standing and in compliance with the MX Rules will be considered.

Incentives

In exchange for meeting the market making obligations on the Designated Contracts, MX shall grant incentives to the Market Makers.

Full or partial incentives shall be paid monthly, subject to the Market Maker fulfilling the obligations contained in the Market Making Agreement signed with MX.

Transaction and Clearing Fee Waivers

The Market Makers shall be eligible for free trading and clearing fees on the Designated Contracts during covered hours. The fee waivers shall remain in effect for the duration of the Market Making Program.

Fixed Compensation

MX will grant a fixed compensation, referred to as the stipend, to the selected Market Makers, paid on a monthly basis.

Duration of the Program

The duration of the Program will be for one (1) year. Market Makers will be required to sign a standard Market Making Agreement with MX.

Designated Interest Rate Futures Contracts

Ten-Year Government of Canada Bond Futures (CGB), Five-Year Government of Canada Bond Futures (CGF), and Two-Year Government of Canada Bond Futures (CGZ) (the "**Designated Contracts**").

Market Making Requirements

Market Makers will be required to post markets at the contracted minimum size and maximum spread (or better), for a predefined percentage of time. The Market Making Agreement may also include other requirements related to the daily settlement of markets, the quarterly roll period and/or other quantitative and/or qualitative requirements.

Monitoring of Performance

MX will monitor the Market Makers' order book activity to determine compliance with the obligations set forth in the Market Making Agreement. MX shall be solely responsible for the monitoring of Market Makers' compliance with the Market Making Program obligations and the calculation of the corresponding incentives in accordance with the terms of the Market Making Agreement.

Application Process

To respond to this Request for Proposals ("**RFP**"), please provide MX with a short business case addressing how the applying firm meets the criteria outlined in the Qualifying Criteria section, in addition to a Proposal using the Market Maker Application form below, addressing the requirements and selection criteria outlined herein. All Proposals should be submitted to the contact person indicated below by no later than 5:00 pm Eastern Time (ET) on **August 10th, 2026**.

Contact Information

For any questions or information, including confidential details regarding the market making requirements and/or incentives, please contact:

Robert Tasca, Managing Director, Derivatives Products and Services
Phone: 1 (514) 871-3501 | Email: Robert.tasca@tmx.com, or

Alexandre Prince, Executive Director, Interest Rate Derivatives
Phone: 1 (514) 244-4813 | Email: alexandre.prince@tmx.com

Timeframe*

July 27, 2026	Distribution of RFP
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Market Maker Application

MX will evaluate business cases and Proposals based on the criteria mentioned herein. All Proposals should include a completed Market Maker Application attached (page 8).

Confidentiality

All documents submitted by respondents and the information contained in the Proposals shall be treated as confidential by the MX.

Evaluation

The objective of the evaluation process is to identify the business cases and Proposals that, in the discretion and assessment of MX, most effectively meet the requirements and selection criteria provided for in this RFP. Any additional information provided by the respondents will also be considered if it is deemed to be the most beneficial to MX's market participants.

General Terms and Conditions

1. The Market Making Program is subject to the MX Rules and in the event of an inconsistency between the Market Making Program and the MX Rules, the latter shall prevail. However, where a term of the Market Making Program is more specific than or supplement the Rules, such more specific or supplementary term will apply.
2. The issuance of this RFP shall not cause any express or implied commitment or undertaking on the part of MX and MX is under no obligation or commitment, whatsoever, to accept any Proposal, select Market Maker(s) or implement the Program. MX may cancel, amend or withdraw this RFP, at its own discretion, without prior notice.
3. All decisions will be made by MX at its sole discretion, including regarding the selection of Market Maker(s), and shall be final and binding.
4. MX shall not be liable for any fees, costs or expenses incurred by the respondent resulting from this RFP or any other request.
5. Proposals received after the deadline for Proposal submissions will only be accepted at the discretion of MX.
6. All Proposals shall be binding for a period of 30 days following the deadline for Proposal submissions. Should a respondent wish to alter or amend a Proposal, it shall withdraw its original Proposal by delivering written notice via email to the contact person listed above, and submit a new Proposal prior to the deadline for Proposal submissions. The respondent may revoke its Proposal at any time prior to the deadline for Proposal submissions by delivering written notice via email to the contact person listed above.
7. The selected Market Maker(s) will be required to sign the same standard Market Making Agreement with MX prior to being admitted into the Program. No incentives may be earned before the binding standard Market Making Agreement has been signed by MX and the selected Market Maker(s).
8. The selected Market Maker(s) will be required to, directly or through their clearing member (responsible for the allocation process), set up a sub-account that can be recognized by MX, and will also set up a Multi-Purpose sub-account (i.e. client netted account) at the Canadian Derivatives Clearing Corporation (CDCC).
9. If selected, the Market Maker consents to the disclosure of their status as a market maker on the Designated Contracts in any marketing efforts MX deems appropriate, including, but are not limited to, MX’s website.
10. MX reserves the right to terminate the Market Making Agreement or modify the Market Making Program upon 30-day written notice to the Market Maker(s).
11. MX reserves the right to replace or appoint additional Market Maker(s) in instances including, but not limited to, where a Market Maker fails to fulfil the obligations set forth in the Market Making Agreement. The replacement or addition of a new Market Maker is at the sole discretion of MX, and can be completed by selecting a Market Maker that originally submitted a Proposal or by re-opening this RFP. MX reserves the right to change the terms of this RFP or to reopen it after the deadline for Proposal submissions without prior notice.

Market Maker Application

Conditions for Applying for Market Maker Status
Applicants shall meet the criteria listed in article 3.112 of the MX Rules, including: 1. Have adequate financial capital to support Market Making obligations; 2. A history of compliance with the MX regulation; 3. A reliable trading infrastructure, risk management system and technology to support electronic trading, as well as adequate operational capacity; 4. Experience with trading similar derivative instruments; 5. Willingness to promote MX as a marketplace; 6. Willingness to sign a Market Making Agreement; 7. Any other factors deemed relevant by MX. Additional criteria for client market makers: 1. Client agrees to be subject to the jurisdiction of MX's Regulatory Division with respect to its trading activity and conduct as a market maker during the term of the market making assignment; 2. Client must obtain the acknowledgement of the approved participant providing it with electronic access.

General Information
Firm name:
Address:
Firm Division:
Authorized Contact name:
Title:
Phone:
Email:
Market Making status

AP/FAP ☐ Client of an AP/FAP ☐
Designated Contracts (specify category & name contracts)
Equity and ETF Options ☐ ________________________ Index Options ☐ ________________________ Currency Options ☐ ________________________ Index Futures ☐ ________________________ Share Futures ☐ ________________________ STIR Futures ☐ ________________________ Bond Futures ☐ ________________________ Options on STIR Futures ☐ ________________________ Options on Bond Futures ☐ ________________________
Market Making Capital
Equal or greater than C$250,000? ☐ YES ☐ NO As of Date: _____________
Other Exchange Memberships
Information on Technology

Description of technology supporting electronic trading, trading tools and infrastructure:
Adequate personnel in place to support: On-screen quoting functions: ◻ YES ◻ NO Trading functions: ◻ YES ◻ NO
Name of Independent Software Vendors (ISVs):
Description of Access to Contract's Underlying Market :
Description of Risk Management Tools:
Additional Safeguards (if applicable): N/A ◻
Operational Capacity
Description of ability to manage operational tasks (trade allocation, reconciliation, administration of rebates, etc.):
Adequate personnel in place to support: Operational functions: ◻ YES ◻ NO
Name of Clearing Member: ____
In the case of client market makers, established relationship with an active execution broker? ◻ YES ◻ NO

Market Making & Trading Experience
Number of years market making similar contracts: Number of years trading similar contracts : Description of general experience (products, venues): Description of experience trading Montréal Exchange (MX) products and participation in MX market making or other commercial programs:

COMMITMENT TO DESIGNATED CONTRACTS		
Contracts	**Size** **Committed**	**Spread** **Committed**
Ten-Year Government of Canada Bond Futures (CGB) Five-Year Government of Canada Bond Futures (CGF) Two-Year Government of Canada Bond Futures (CGZ) Outright contracts:		
Best efforts to post a continuous basis market (if applicable):	◻ Yes ◻ No ◻ N/A	
Best efforts to provide block markets upon request:	◻ Yes ◻ No	

What are the advantages of your market making abilities over other firms?

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Acknowledgment and Signature
The Applicant attests the information provided herein is complete and accurate. Signature of Authorized Contact: Date: