

CIRCULAR 136-22  
November 10, 2022

## SELF-CERTIFICATION

### **AMENDMENTS TO THE RULES OF BOURSE DE MONTRÉAL INC. RELATING TO THE INTRODUCTION OF A MARKER AT ORDER ENTRY FOR PREARRANGED TRANSACTIONS**

On May 2, 2022, the Rules and Policies Committee of Bourse de Montréal Inc. (the “**Bourse**”) and, on April 19, 2022, the Special Committee of the Regulatory Division of the Bourse approved amendments to article 6.115 of the rules of the Bourse (the “Rules”) in order to introduce a new order marker at order entry for each order entered into the Trading System (the “Amendments”).

The Amendments were published for public comment by the Bourse on May 6, 2022 (see circular [052-22](#)). Further to the publication of circular 052-22, a minor modification to the language of the Amendments was made in order to clarify the Rules for the Approved Participants and their sponsored access clients, who should also be subject to the requirements of the Amendments.

No comments were received further to the publication for public comment.

The Amendments were self-certified in accordance with the self-certification process as established in the *Derivatives Act* (CQLR, Chapter I-14.01).

The Amendments, attached herewith, will become effective on December 30, 2022, after market close. Please note that the revised articles will also be available on the Bourse’s website ([www.m-x.ca](http://www.m-x.ca)).

For additional information, please contact Maxime Rousseau-Turenne, Legal Counsel, by email at [maxime.rousseau-turenne@tmx.com](mailto:maxime.rousseau-turenne@tmx.com).

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## PROPOSED AMENDMENTS

### AMENDED VERSION

#### Article 6.115      **Order Identification**

- (a) Approved Participants must ensure the proper identification of orders when entered into the Trading System in order to ensure compliance with the provisions of Article 6.114 regarding management of priorities.
- (i) “Order for the account of a customer” means an order for a Security or a Derivative Instrument entered for the account of a customer of any Approved Participant or of a customer of a Related Firm of an Approved Participant, but does not include an order entered for an account in which an Approved Participant, a Related Firm of an Approved Participant or an Approved Person has a direct or indirect interest, other than an interest in a commission charged;
  - (ii) “Order for the account of a professional” means an order for a Security or a Derivative Instrument for an account in which a director, Officer, partner, employee or agent of an Approved Participant or of a Related Firm of the Approved Participant or an Approved Person has a direct or indirect interest, other than an interest in a commission charged. The Bourse may designate any order as being an order for the account of a professional if, in its opinion, circumstances justify it;
  - (iii) “Order for the account of the firm” means an order for a Security or a Derivative Instrument for an account in which the Approved Participant or a Related Firm of the Approved Participant has a direct or indirect interest, other than an interest in a commission charged;
  - (iv) “Order for an insider or significant shareholder” means an order for a Security or a Derivative Instrument for the account of a client, a professional or a firm who is an insider and/or significant shareholder of the issuer of the underlying Security which is the subject of the order. If such client, professional or firm is both an insider and a significant shareholder, the significant shareholder designation must be used.
- (b) Approved Participants must ensure that the “prearranged transaction marker” is included for each order entered into the Trading System under Article 6.202 or Article 6.205. This requirement does not apply to paragraph (c), sub-paragraph (d)(i) or paragraph (e) of Article 6.205.
- (c) For the purposes of this Article :
- (i) “insider” means a Person who is an insider, pursuant to applicable Securities legislation, of the issuer of the Security underlying the Security or the Derivative Instrument traded;
  - (ii) “significant shareholder” means any Person holding separately, or jointly with other Persons, more than 20% of the outstanding Voting Securities of the issuer whose Security is underlying the Security or the Derivative Instrument traded; and
  - (iii) “Related Firm” has the meaning given to that term in the definitions in Article 1.101 of the Rules.

**CLEAN VERSION**

**Article 6.115      Order Identification**

- (a) Approved Participants must ensure the proper identification of orders when entered into the Trading System in order to ensure compliance with the provisions of Article 6.114 regarding management of priorities.
  - (i) “Order for the account of a customer” means an order for a Security or a Derivative Instrument entered for the account of a customer of any Approved Participant or of a customer of a Related Firm of an Approved Participant, but does not include an order entered for an account in which an Approved Participant, a Related Firm of an Approved Participant or an Approved Person has a direct or indirect interest, other than an interest in a commission charged;
  - (ii) “Order for the account of a professional” means an order for a Security or a Derivative Instrument for an account in which a director, Officer, partner, employee or agent of an Approved Participant or of a Related Firm of the Approved Participant or an Approved Person has a direct or indirect interest, other than an interest in a commission charged. The Bourse may designate any order as being an order for the account of a professional if, in its opinion, circumstances justify it;
  - (iii) “Order for the account of the firm” means an order for a Security or a Derivative Instrument for an account in which the Approved Participant or a Related Firm of the Approved Participant has a direct or indirect interest, other than an interest in a commission charged;
  - (iv) “Order for an insider or significant shareholder” means an order for a Security or a Derivative Instrument for the account of a client, a professional or a firm who is an insider and/or significant shareholder of the issuer of the underlying Security which is the subject of the order. If such client, professional or firm is both an insider and a significant shareholder, the significant shareholder designation must be used.
- (b) Approved Participants must ensure that the “prearranged transaction marker” is included for each order entered into the Trading System under Article 6.202 or Article 6.205. This requirement does not apply to paragraph (c), sub-paragraph (d)(i) or paragraph (e) of Article 6.205.
- (c) For the purposes of this Article :
  - (i) “insider” means a Person who is an insider, pursuant to applicable Securities legislation, of the issuer of the Security underlying the Security or the Derivative Instrument traded;
  - (ii) “significant shareholder” means any Person holding separately, or jointly with other Persons, more than 20% of the outstanding Voting Securities of the issuer whose Security is underlying the Security or the Derivative Instrument traded; and
  - (iii) “Related Firm” has the meaning given to that term in the definitions in Article 1.101 of the Rules.