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<input checked="" type="checkbox"/> Trading – Equity and Index Derivatives	<input checked="" type="checkbox"/> Technology
<input checked="" type="checkbox"/> Back-office – Futures	<input checked="" type="checkbox"/> Regulation

CIRCULAR 169-16
December 20, 2016

**REVISIONS TO ACCEPTABLE STRATEGIES INVOLVING
THE THREE-MONTH CANADIAN BANKERS’ ACCEPTANCE
FUTURES (BAX) AND OPTIONS ON THREE-MONTH
CANADIAN BANKERS’ ACCEPTANCE FUTURES (OBX)**

Pursuant to circular [152-16](#) published on November 28, 2016, Bourse de Montréal Inc. (the “**Bourse**”) wishes to inform its Approved Participants (APs) and Foreign Approved Participants (FAPs) that the acceptance criteria for the execution of User-Defined Strategies (UDS) will be limited to four legs for OBX intra-group strategies and OBX-BAX inter-group strategies. Therefore, for indicative purposes, the following strategies will be accepted via UDS.

Two-Legged Strategies	Call spread Put spread Straddle Strangle Synthetic position Synthetic position with split strikes 1:2 ratio call spread 1:2 ratio put spread 1:3 ratio call spread 1:3 ratio put spread
Three-Legged Strategies	Call Butterfly Put Butterfly Call Ladder Put Ladder
Four-Legged Strategies	Call Condor Put Condor Iron Condor Iron Butterfly Double Diagonal

The Bourse's trading system will support the execution of up to twelve-legged OBX and OBX-BAX customized strategies (Exchange-Defined Strategies). Participants may contact the Market Operations Department to request their creation.

As a reminder, Circular [152-16](#), as amended by this circular, will be effective on January 27, 2017.

For additional information, please contact the Market Operations Department at 514-871-7877 or 1-866-576-8836.

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