

PROCEDURES FOR THE EXECUTION OF BLOCK TRADES

1. Block Trades

- a) Once a block trade has been arranged, in accordance with the predetermined minimum volume threshold level as determined and published by the Bourse, details of the block trade must be reported to the Bourse by contacting a market official of the Bourse's Market Operations Department at 1-888-693-6366 or at 514 871-7871 within the period of time prescribed by the Bourse.
- b) Approved participants for both the seller and buyer must complete and electronically submit the Block Trade Reporting Form, available on the Bourse's web site at http://www.m-x.ca/rob_formulaire_en.php, to the Bourse's Market Operations Department for validation.
- c) A market official will check the validity of the block trade details submitted by the approved participant(s).
- d) Confirmation by a market official of a block trade transaction will not preclude the Bourse from initiating disciplinary procedures in the event that the transaction is subsequently found to have been made other than in compliance with the rules.
- e) Once the block trade has been validated and processed, the following information with respect to the block trade will be disseminated by the Bourse:
 - i) date and time of transaction;
 - ii) security(ies) or derivative instrument(s) and contract month(s);
 - iii) price of each contract month(s) and strike price(s) (as applicable); and
 - iv) volume of each contract month.
- f) Upon the Bourse's request, the approved participant who arranges a block trade must provide satisfactory evidence that the block trade has been arranged in accordance with the Rules of the Bourse. Failure to provide satisfactory evidence of compliance with these Rules may result in the initiation of disciplinary action.

In accordance with article 6380 4) of the Rules of the Bourse, the following are the eligible securities and derivative instruments, the relevant prescribed time delays and the minimum volume thresholds for the execution of block trades.

Table 1: Prescribed time delays and minimum volume thresholds for eligible securities and derivative instruments for the execution of block trades

ELIGIBLE SECURITIES AND DERIVATIVE INSTRUMENTS	PRESCRIBED TIME DELAY	MINIMUM VOLUME THRESHOLD
	(As soon as practicable and in any event within the following time delay)	
30-Day Overnight Repo Rate Futures Contracts (ONX)	15 minutes	1,000 contracts
Overnight Index Swap Futures Contracts (OIS)	15 minutes	200 contracts
Ten-Year Government of Canada Bond Futures Contracts (CGB)	15 minutes	1,500 contracts
Two-Year Government of Canada Bond Futures Contracts (CGZ)	15 minutes	500 contracts
30-Year Government of Canada Bond Futures Contracts (LGB)	15 minutes	500 contracts
Five-Year Government of Canada Bond Futures Contracts (CGF)	15 minutes	500 contracts
Options on Three-Month Canadian Bankers Acceptance Futures Contracts	15 minutes	2,000 contracts
Canadian Crude Oil Futures Contracts	15 minutes	100 contracts
Futures contracts on the FTSE Emerging Markets Index	15 minutes	100 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies five through eight (BAX Reds)	15 minutes	1,000 contracts
Three-Month Canadian Bankers' Acceptance Futures Contracts quarterlies nine through twelve (BAX Greens)	15 minutes	500 contracts

2. Block trades priced at a basis to the index close (BIC)

- a) Once a BIC has been arranged, in accordance with the predetermined minimum volume threshold level as determined and published by the Bourse, details of the BIC must be reported to the Bourse by contacting a market official of the Bourse's Market Operations Department at 1-888-693-6366 or at 514 871-7871 within the period of time prescribed by the Bourse. Approved participants for both the seller and buyer must subsequently complete and submit a Block Trade Reporting Form as stipulated above, specifying the agreed-upon basis in lieu of the price. The Bourse will disseminate the relevant information through its website at www.m-x.ca.
- b) Approved participants for both the seller and buyer must also complete and submit a second Block Trade Reporting Form to the Bourse's Market Operations Department once the closing price of the relevant index has been published.
- c) In addition to the agreed-upon basis, this second form must specify both the closing level of the index and the price of the BIC to the nearest 0.01 index point increment. The Bourse will disseminate the relevant information both through its website at www.m-x.ca and also through its High Speed Vendor Feed.

In accordance with article 6380 6) of the Rules of the Bourse, the following are the eligible securities and derivative instruments, the relevant prescribed time delays, the minimum volume thresholds and the second Block Trade Reporting Form filing requirements for the BIC.

Table 2: Prescribed time delays, minimum volume thresholds and second Block Trade Reporting Form filing requirements for eligible securities and derivative instruments for the execution of block trades priced at a basis to the index close (BIC)

ELIGIBLE SECURITIES AND DERIVATIVE INSTRUMENTS	PRESCRIBED TIME DELAY	MINIMUM VOLUME THRESHOLD	FILING OF SECOND BLOCK TRADE REPORTING FORM
	(As soon as practicable and in any event within the following time delay)		
Futures contracts on the FTSE Emerging Markets Index	15 minutes	100 contracts	After 9:30 p.m. GMT on the next trading day
Futures contracts on S&P/TSX indices and sectorial indices	15 minutes	100 contracts	After 4:00 p.m. ET on the same trading day

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