

Advisory Notice 19-008

Listing of S&P/MX International Cannabis Index Futures

This notice is to inform market participants that, subject to compliance with the conditions set forth in the self-certification process as established in the Derivatives Act (CQLR, Chapter I-14.01), and pursuant to obtaining the consent of regulatory authorities in other jurisdictions where required, Bourse de Montréal Inc. (the “Bourse”) wishes to list S&P/MX International Cannabis Index Futures.

In preparation for the launch, the Bourse invites market participants to test their systems. The launch date for the product is January 31st 2020.

The new contract specifications can be found below. The contracts will be added to the High Speed Vendor Feed (HSVF) and Order Book Feed (OBF) using the current messaging protocol. Information on the new contracts will be made available at www.m-x.ca on the first trading day.

GENERAL TEST ENVIRONMENT (GTE)

The International Cannabis Index Futures is available for testing in the GTE environment under the symbol SMJ. The Basis Trades on Close symbol is BMJ.

For additional information on this notice, or if you require technical assistance, please contact the Technical Help Desk.

Technical Help Desk

Toll-free : 1-877-588-8489

Local : 514-871-7872

Email : marketops@tmx.com

S | M | J S&P/MX INTERNATIONAL CANNABIS INDEX FUTURES

SPECIFICATIONS

Underlying	S&P/MX International Cannabis Index.
Expiry Cycle	<ul style="list-style-type: none"> • Quarterlies: March, June, September and December.
Price Quotation	C\$50 times the S&P/MX International Cannabis Index Futures contract value. Quoted in index points, expressed to two decimals.
Minimum Price Fluctuation	<ul style="list-style-type: none"> • 0.10 index points for outright positions • 0.01 index points for calendar spreads • 0.05 index points for outright Basis Trades on Close
Contract Type	Cash-settled.
Last Trading Day	Trading ceases at 4:30p.m. (Montréal time) on the trading day prior to the final settlement day, provided it is a business day. If it is not a business day, trading will cease on the preceding business day.
Final Settlement Price	The official opening level of the underlying sector index on the final settlement day.
Position Reporting Threshold	500 contracts, gross long and short, in all contract months combined.
Position Limit	Information on position limits can be obtained from the Bourse as they are subject to periodic changes.
Trading halt	A trading halt will be invoked in conjunction with the triggering of "circuit breakers" on the underlying issues.
Minimum Margin Requirements	Information on minimum margin requirements can be obtained from the Bourse as they are subject to periodic changes.
Trading Hours	<ul style="list-style-type: none"> • Early session* 2:00 a.m. to 9:15 a.m. ET • Regular session 9:30 a.m. to 4:30 p.m. ET • Basis Trades on Close: Regular session 9:30 a.m. to 3:30 p.m. ET <p><i>* A trading range of -5% to +5% (based on previous day's settlement price) has been established only for this session.</i></p>
Clearing Corporation	The Canadian Derivatives Clearing Corporation (CDCC).
Ticker Symbol	SMJ
Trading Procedures	Please refer to the Rules of the Bourse

The information contained in this document is for information purposes only and shall not be construed as legally binding. This document is a summary of the product's specifications which are set forth in the Rules of Bourse de Montréal Inc. ("Rules of the Bourse"). While Bourse de Montréal Inc. endeavors to keep this document up to date, it does not guarantee that it is complete or accurate. In the event of discrepancies between the information contained in this document and the Rules of the Bourse, the latter shall prevail. The Rules of the Bourse must be consulted in all cases concerning products' specifications.

