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

CIRCULAR
April 8th, 2010

REQUEST FOR COMMENTS

INTRODUCTION OF OPTIONS ON THREE-MONTH CANADIAN BANKERS' ACCEPTANCE FUTURES IN THE MID-PORTION OF THE YIELD CURVE (MID-CURVE)

AMENDMENTS TO THE RELEVANT PROCEDURES OF BOURSE DE MONTRÉAL INC.

The Rules and Policies Committee of Bourse de Montréal Inc. (the Bourse) has approved amendments to the following procedures:

- Daily Settlement Price Procedures for Futures Contracts and Options on Futures Contracts;
- Procedures Applicable to the Execution of Cross Transactions and the Execution of Prearranged Transactions;
- Procedures Applicable to the Execution of Block Trades;
- Procedures for the Cancellation of Trades.

These modifications will allow for the addition of options on Three-Month Canadian Bankers' Acceptance Futures (the BAX) in the mid-portion of the yield curve (mid-curve options) whose expiration date does not coincide with the expiry of the underlying BAX futures contract. The Bourse intends to introduce the mid-curve options in the month of May 2010.

Comments on the implementation of the proposed additions must be submitted within 30 days following the date of publication of the present, at the latest on **May 8th, 2010**. Please submit your comments to:

Mr. François Gilbert
Vice-President, Legal Affairs, Derivatives
Bourse de Montréal Inc.
Tour de la Bourse
P.O. Box 61, 800 Victoria Square
Montréal, Quebec H4Z 1A9
E-mail: legal@m-x.ca

Circular no.: 042-2010

Tour de la Bourse
P.O. Box 61, 800 Victoria Square, Montréal, Quebec H4Z 1A9
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Toll-free within Canada and the U.S.A.: 1 800 361-5353
Website: www.m-x.ca

A copy of these comments shall also be forwarded to the Autorité des marchés financiers (the Autorité) to:

*Ms. Anne-Marie Beaudoin
Director – Secretariat of L'Autorité
Autorité des marchés financiers
800 Victoria Square, 22nd Floor
P.O. Box 246, Tour de la Bourse
Montréal (Quebec) H4Z 1G3
E-mail: consultation-en-cours@lautorite.qc.ca*

Appendices

For your information, you will find in appendices an analysis document of the proposed amendments as well as the amended procedures. The implementation date of the proposed amendments will be determined by the Bourse, in accordance with the self-certification process as determined by the Derivatives Act (R.S.Q., chapter I-14.01).

Process for Changes to the Rules

The Bourse is authorized to carry on business as an exchange and is recognized as a self-regulatory organization (SRO) by the Autorité. The Board of Directors of the Bourse has delegated to the Rules and Policies Committee of the Bourse its powers to approve and amend the Rules and Procedures. The Rules of the Bourse are submitted to the Autorité in accordance to the self-certification process as determined by the Derivatives Act (R.S.Q., chapter I-14.01).

In its SRO capacity, the Bourse assumes market regulation and supervision responsibilities of its approved participants. The responsibility for regulating the market and the approved participants of the Bourse comes under the Regulatory Division of the Bourse (the Division). The Division carries on its activities as a distinct business unit separate from the other activities of the Bourse.

The Division is under the authority of a Special Committee appointed by the Board of Directors of the Bourse. The Special Committee is empowered to recommend to the Board of Directors the approval or amendment of some aspects of the Rules of the Bourse governing approved participants, among which, the Rules relating to margin and capital requirements. The Board of Directors has delegated to the Rules and Policies Committee of the Bourse its powers to approve or amend these Rules with recommendation from the Special Committee. These changes are submitted to the Autorité for approval.