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CIRCULAR 137-14
September 30, 2014

WEEKLY OPTIONS OFFICIAL LAUNCH

**PILOT PROJECT:
LISTING OF NEW OPTIONS EXPIRATIONS:
WEEKLY OPTIONS**

On June 13, 2014, Bourse de Montréal Inc. (the Bourse) announced, in circular [083-14](#), the self-certification of amendment to article 6637 of Rule Six of the Bourse in order to list, in the form of a pilot project, weekly options on ten (10) classes of equity and exchange-traded fund (ETF) options. On June 19, 2014, the Bourse declared in circular [094-14](#) its decision to postpone the launch of this project in order to allow its Independent Software Vendors (ISVs) additional time to prepare for the launch of weekly options.

The Bourse hereby wishes to inform market participants that weekly options will be launched on Thursday, December 4, 2014. The following new weekly equity and ETF options classes will be listed after the close of markets on Wednesday, December 3rd, and will be available for trading on Thursday, December 4, 2014.

The option classes for which weekly options will be listed are as follows:

Barrick Gold Corporation - ABX
BlackBerry Limited – BB
Encana Corporation – ECA
Goldcorp Inc. – G
Potash Corporation of Saskatchewan Inc. – POT
Royal Bank of Canada – RY
Suncor Energy Inc. – SU
Toronto-Dominion Bank - TD
Yamana Gold Inc. - YRI
iShares S&P/TSX 60 Index Fund – XIU.

For additional information, please contact Ms. Gladys Karam, Director, Equity Derivatives, at 514 871-7880 or at gkaram@m-x.ca.

Claude Cyr
Senior Vice President, Financial Markets

Specifications

WEEKLY OPTIONS

Underlying issues	<ul style="list-style-type: none">i) Shares of eligible stock.*ii) Units of eligible exchange-traded funds.* <p>*Eligible for options listing, as determined by the eligibility criteria determined by the Canadian Derivatives Clearing Corporation (CDCC).</p>
Eligibility criteria	Underlying issues must meet stringent eligibility requirements, including sufficient liquidity and market capitalisation.
Trading units / Multiplier	<ul style="list-style-type: none">i) One contract represents 100 shares (may be adjusted for stock splits, distributions, etc.)ii) One contract represents 100 units of an exchange-traded fund (may be adjusted for stock splits, distributions, etc.)
Expiry cycle	Contracts are listed for trading at the open every Thursday, except the Thursday for which the regular option's expiration would occur on the third Friday of the expiration month, provided it is a business day. If it is not a business day, listing will occur on the first preceding business day.
Minimum fluctuation of the option premium	<ul style="list-style-type: none">▪ Options priced below C\$0.10 = C\$0.01▪ Options priced at C\$0.10 or more = C\$0.05. <p>The premium per contract is obtained by multiplying the quote by 100 (e.g.: quote of C\$2.75 X 100 = C\$275).</p> <p>For more information on penny trading, refer to the latest Circular at http://www.m-x.ca/publi_circulaires_en.php.</p>
Strike prices	At a minimum, five strike prices bracketing the current underlying issue's market price.
Contract type	American style.
Last trading day	The Friday of the week following the listing of the option, provided it is a business day. If it is not a business day, trading will cease on the first preceding business day.
Expiration day	The last trading day of the contract week.
Position reporting threshold	<ul style="list-style-type: none">i) 250 option contracts.ii) 500 contracts on the same side of the market, in all contract months combined.
Position limit	Information on position limits can be obtained from the Bourse as they are subject to periodic changes.
Price limit	A trading halt will be invoked in conjunction with the triggering of "circuit breakers" on the underlying issues.
Exercise	Via the Canadian Derivatives Clearing Corporation (CDCC).

Delivery	Via the CDS Clearing and Depository Services Inc., on the third business day following the exercise date.
Trading hours	9:30 a.m. to 4:00 p.m. The regular session opens at 9:30 a.m. Each option class will then open for trading when a trade occurs on its underlying issue on a recognised Canadian exchange. If no such trade has yet occurred, the option class will open for trading at 9:35 a.m.
Clearing corporation	Canadian Derivatives Clearing Corporation (CDCC).
