



INVESTMENT INDUSTRY ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

www.iiac.ca

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Delivered Via Email: legal@tmx.com; consultation-en-cours@lautorite.qc.ca

M^e Alexandre Normandeau
Legal Counsel
Bourse de Montréal Inc.
1800-1190 av des Canadiens-de-Montréal
P.O. Box 37
Montréal, Québec H3B 0G7

M^e Philippe Lebel
Corporate Secretary and Executive Director, Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour Cominar
2640 Laurier boulevard, suite 400
Québec, Québec G1V 5C1

Dear M^e Normandeau and M^e Lebel,

Re: Bourse de Montréal Inc. – Request for comments - Amendments to Article 6.206 of the Rules of Bourse de Montréal Inc. to modify the minimum volume threshold for block transactions on Three-Month Canadian Bankers’ Acceptance Futures (BAX)

The Investment Industry Association of Canada (the "IIAC") and its members would like to take this opportunity to express their views on the proposed amendments (the "Proposal") to the Rules (the "Rules") of Bourse de Montréal Inc. (the "Bourse") regarding amendments to Article 6.206 to modify the minimum volume threshold for block transactions on Three-Month Canadian Bankers’ Acceptance Futures ("BAX") as per Circular 120-20 (the "Circular") issued on July 7, 2020.

The IIAC is the national association representing the position of 114 IIROC-regulated dealer member firms on securities regulation, public policy and industry issues. We work to foster a vibrant, prosperous investment industry driven by strong and efficient capital markets.

We remind the Bourse that this comment letter, in its entirety, can be published on the Bourse's website.

Proposed Amendments

As stated in the Circular:

Bourse de Montréal Inc. (the "Bourse") hereby proposes to reintroduce a minimum volume threshold for block transactions on the Three-Month Canadian Bankers' Acceptance Futures (BAX) during the regular trading hours ("RTH"), such that the minimum volume threshold for the first four quarterly BAX contract months, as well as for the two nearest non-quarterly contract months (together, the "BAX Whites") be 2,000 contracts between 6:00 am and 4:30 pm ET. The Bourse considers that a well-functioning block transactions market is desirable for the growth of its products and wishes to ensure its offering is in line with the needs of market participants. The Bourse believes this proposed amendment will better serve the needs of market participants and facilitate greater market efficiency through improved execution quality.

Position of the Industry

The IIAC and its members do not oppose the Proposal.

We do, however, strongly believe that block transaction minimum volume thresholds – not just for BAX block transactions – should be reviewed periodically (either quarterly or annually). The Bourse should readjust its minimum block transaction volume thresholds when significant changes occur in market conditions.

Please note that the IIAC and its members, as always, remain available for further consultations.

Yours sincerely,



Annie Sinigagliese
Managing Director, Investment Industry Association of Canada
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