

Products

1. Can an issuer round down the residual value for Category R CBBCs?

No. An issuer should act fairly and in good faith to investors i.e. not paying less than the residual value as determined in accordance with the listing documents. The Exchange expects the residual value to be rounded up instead of rounded down.

*MB Rule 15A.36(1)
First released: May 2024*

2. Should an issuer launch structured products linked to a stock underlying which is under trading halt?

No structured products linked to a stock underlying should be launched when the underlying is under trading halt. As such, the issuer should not submit term sheets on such underlying for the Exchange's approval.

If the trading halt of the underlying stock occurs in the afternoon session, term sheets submitted or approved prior to the trading halt should be withdrawn.

*MB Rule 15A.55
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