

Notice to Members

November 6, 2014

2014-031

TSX Alpha Exchange Proposed Rule Amendments and Changes to Marketplace Features Published for Regulatory Review and Comment

This notice is to inform TSX Alpha Exchange ("Alpha") members of amendments being proposed to its Trading Policies in connection with planned changes to the Alpha trading model previously announced on October 23, 2014 and outlined in the TMX position paper [*Reshaping Canada's Equities Trading Landscape*](#).

The proposed amendments have been submitted for regulatory review and have been published for public comment by the Ontario Securities Commission and may be found through the following link http://www.osc.gov.on.ca/en/Marketplaces_alpha-exchange_20141106_amd-request-for-comments.htm. Members are encouraged to provide their views and feedback on the proposed amendments. The public comment process ends on December 8, 2014.

Also being made available is an updated [*Order Types and Functionality Guide*](#), highlighting changes necessary to implement the Proposed Amendments.

Proposed Amendments to Alpha Trading Model

The proposed amendments will facilitate the introduction of an innovative trading model on Alpha intended to significantly improve the economics and quality of execution for active natural flow, while improving trading conditions for liquidity providers willing to commit to a minimum order size. The new trading model will achieve these benefits by applying an order processing delay ("speed bump") for orders that have the potential to remove liquidity from the order book, enforcing a minimum size for certain liquidity providing orders, and providing rebates for active order flow via implementation of an inverted maker/taker fee model.

Other Changes Proposed to Simplify and Streamline Alpha Offerings

To help address challenges being faced by market participants in today's multiple marketplace environment and contribute to reduced market complexity, Alpha is also proposing changes intended to simplify and streamline its current offerings.

If you have further questions or need additional information, please contact our Account Management Team.

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About TMX Group (TSX-X)

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