

## EQUITIES TRADING NOTICE

# TSX Equities Reduces Maker-Taker Fees

Maker-taker fees have resulted in many benefits to the market and investors. Incentives have spurred competition at the quote, bringing additional liquidity to Canada, lowering volatility, tightening spreads and improving prices for investors. However, over time concerns developed regarding the impact on transaction costs, levels of intermediation, routing conflicts of interest, and market fragmentation.

We believe it is the right time to lower maker-taker rates, and are taking decisive action to optimize maker-taker fees for today's trading environment through a program of phased rate reductions. We are therefore pleased to announce that maker-taker rates on TSX, TSXV and Alpha will be reduced **effective June 1, 2015**, subject to regulatory approval.<sup>1</sup> A summary of the key reductions is as follows:

	Current		Effective June 1st	
	Active	Passive	Active	Passive
<b>TSX &amp; TSXV</b>				
<b>Interlisted* equities priced ≥ \$1</b>	\$0.0035	\$(0.0031)	\$0.0030	\$(0.0026)
<b>Non-interlisted equities priced ≥ \$1</b>	\$0.0035	\$(0.0031)	\$0.0023	\$(0.0019)
<b>Exchange Traded Funds</b>	\$0.0030	\$(0.0026)	\$0.0023	\$(0.0019)
<b>Alpha</b>				
<b>Equities priced ≥ \$1 and &lt; \$5</b>	\$0.0025	\$(0.0021)	\$0.0018	\$(0.0014)
<b>Equities priced ≥ \$5</b>	\$0.0028	\$(0.0025)	\$0.0018	\$(0.0014)
<b>Exchange Traded Funds</b>	\$0.0025	\$(0.0021)	\$0.0018	\$(0.0014)

\* As per list to be published monthly by TSX.

In this phase alone we estimate these changes to result in a 26% reduction of active fees and 31% reduction of passive rebates across all participant trading in these products on TSX, TSXV, and Alpha.

<sup>1</sup> As of the date of this notice, trading fee changes for TSX and Alpha have received regulatory approval, other than those relating to the planned changes to odd lot fill fees for TSX. TSXV fee changes remain subject to regulatory approval.

Additional reductions of TSX and TSXV rates<sup>2</sup> are expected over the next two years, in 6 to 9 month intervals, until optimal fee levels are reached for the Canadian capital markets. The timing and extent of further reductions will be based on careful data-driven analysis and customer feedback. This will be an iterative process and we invite industry participation at each phase.

Additional information regarding this initiative is outlined in our “[Taking Action to Optimize Maker-Taker Fees](#)” publication available on the TMX website.

A comparison of trading fee changes is included below. Complete TSX, TSXV and Alpha fee schedules intended to take effect on June 1<sup>st</sup> are available at [www.tsx.com/tradingfees](http://www.tsx.com/tradingfees).

For additional information regarding the new fees please contact the Account Management Team.

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<sup>2</sup> Alpha's fee model is expected to change when the new market model launches in September 2015.

## APPENDIX - FEE CHANGE SUMMARY

### TSX FEE CHANGES

	<u>Current</u>		<u>Effective June 1, 2015</u>	
	<u>Active</u>	<u>Passive</u>	<u>Active</u>	<u>Passive</u>
<u>Continuous trading - High-priced securities (\$1 and over)</u>				
Displayed volume interaction				
Interlisted equities	\$0.0035	(\$0.0031)	\$0.0030	(\$0.0026)
Non-interlisted equities	\$0.0035	(\$0.0031)	\$0.0023	(\$0.0019)
ETFs	\$0.0030	(\$0.0026)	\$0.0023	(\$0.0019)
Dark volume interaction				
Rebate for non-displayed portion of iceberg (equities & ETFs)		(\$0.0002)		\$0.0000
<u>Discontinued programs - High priced securities (\$1 and over)</u>				
<u>Current</u>				
	<u>Active</u>	<u>Passive</u>	<u>Effective June 1, 2015</u>	
<u>Active</u>				
<u>Volume tier discounted rates for continuous trading</u>				
Equities	\$0.0034	(\$0.0031)	Eliminated - standard rates apply	
ETFs	\$0.0029	(\$0.0026)	Eliminated - standard rates apply	
<u>ELP program - preferred rates for continuous trading</u>				
Equities	\$0.0034	(\$0.0031)	Eliminated - standard rates apply	
ETFs	\$0.0029	(\$0.0026)	Eliminated - standard rates apply	
<u>Special facilities</u>				
<u>Current</u>				
	<u>Active</u>		<u>Effective June 1, 2015</u>	
<u>Active</u>				
Active fee for MGF (equities & ETFs)	\$0.0039		\$0.0030	
Price >\$1				
Active fee for auto-execution of odd lots (equities & ETFs)				
Price <\$1	\$0.0010		\$0.0005	
Price >=\$1	\$0.0039		\$0.0010	
<u>TSX Market Maker fees</u>				
<u>Current</u>				
	<u>Active</u>	<u>Passive</u>	<u>Effective June 1, 2015</u>	
<u>Active</u>				
<u>Continuous trading fees in assigned securities</u>				
Interlisted equities (\$1 and over)	\$0.0033	(\$0.0033)	\$0.0030	(\$0.0030)
Non-interlisted equities (\$1 and over)	\$0.0033	(\$0.0033)	\$0.0023	(\$0.0027)
ETFs	\$0.0028	(\$0.0038)	\$0.0023	(\$0.0027)
<u>Passive rebates applicable to MGF</u>				
Interlisted and non-interlisted equities (\$1 and over)		(\$0.0033)		(\$0.0030)
ETFs		(\$0.0038)		(\$0.0027)
<u>Passive rebates applicable to auto-execution of odd lots</u>				
Equities - Price <\$1		(\$0.00005)		(\$0.0003)
Equities - Price >=\$1		(\$0.0033)		(\$0.0006)
ETFs - Price >=\$1		(\$0.0038)		(\$0.0006)

## TSX VENTURE FEE CHANGES

	Current		Effective June 1, 2015	
	Active	Passive	Active	Passive
<u>Continuous trading - High-priced securities (\$1 and over)</u>				
Displayed volume interaction				
Equities & debentures	\$0.0035	(\$0.0031)	\$0.0023	(\$0.0019)
Dark volume interaction				
Rebate for non-displayed portion of iceberg (equities & debentures)		(\$0.0002)		\$0.0000
<u>Special facilities</u>				
Active fee for auto-execution of odd lots				
Equities & debentures (\$1 and over)	\$0.0035		\$0.0010	
<u>Discontinued programs - High priced securities (\$1 and over)</u>				
Volume tier discounted rates for continuous trading				
Equities & debentures	\$0.0034	(\$0.0031)	Eliminated - standard rates apply	
<u>TSX Venture Odd Lot Dealer fees</u>				
Continuous trading fees in assigned securities				
Equities & debentures (\$1 and over)	\$0.0033	(\$0.0033)	\$0.0023	(\$0.0027)
Passive rebates applicable to auto-execution of odd lots				
Equities & debentures (\$1 and over)		(\$0.0033)		(\$0.0006)

## ALPHA FEE CHANGES

	Current		Effective June 1, 2015	
	Active	Passive	Active	Passive
<u>Continuous trading</u>				
Equities				
Price >=\$1 and <\$5	\$0.0025	(\$0.0021)	\$0.0018	(\$0.0014)
Price >=\$5	\$0.0028	(\$0.0025)	\$0.0018	(\$0.0014)
ETFs				
Price >=\$1 and <\$5	\$0.0025	(\$0.0021)	\$0.0018	(\$0.0014)
Price >=\$5	\$0.0025	(\$0.0021)	\$0.0018	(\$0.0014)
<u>Alpha Odd Lot Dealer - Continuous trading in assigned securities</u>				
Equities				
Price >=\$1 and <\$5	\$0.0021	(\$0.0021)	\$0.0014	(\$0.0014)
Price >=\$5	\$0.0025	(\$0.0025)	\$0.0014	(\$0.0014)
ETFs				
Price >=\$1 and <\$5	\$0.0021	(\$0.0021)	\$0.0014	(\$0.0014)
Price >=\$5	\$0.0021	(\$0.0021)	\$0.0014	(\$0.0014)