

April 1, 2019

2019-010



# TMX Equities Trading Notice

## Changes to TSX Alpha Exchange Fees

We are pleased to announce changes to fees on TSX Alpha Exchange that are intended to further enhance available liquidity while also delivering additional savings for cost-sensitive active retail order flow. The changes, which will take effect on May 1, 2019 (subject to regulatory approval), are summarized below.

### *Higher active rebates for retail*

TSX Alpha Exchange will provide higher active rebates for retail orders than otherwise available for non-ETFs, with active rebates for retail orders increasing to an industry-leading \$0.0022 per share for non-ETFs priced \$1 and over. Posting fees will be adjusted accordingly.

To qualify for the higher rebates, Members must submit a form to TSX Alpha Exchange identifying the Trader IDs through which orders originating from a "Retail Customer" (as defined by IIROC) are sent.

### *Changes to fees for ETFs and introduction of ETF Alpha Liquidity Provision program*

Passive posting fees are being reduced for ETFs to \$0.0004 per share for non-Post Only orders and \$0.0006 per share for Post Only orders, while active rebates are being eliminated. At the same time, the Alpha Liquidity Provision (ALP) program launched in November 2018 will be implemented for ETFs. The ALP program for ETFs will be measured and applied separately from the existing ALP program for non-ETFs, but subject to similar terms and discount levels.

The combination of reduced posting fees and the introduction of the ALP program for ETFs is intended to promote quoted liquidity more continuously on Alpha throughout the day and across more ETFs. This should translate into better fill rates and larger fill sizes for dealers that route their active order flow for ETFs to Alpha.

Also applicable only to ETFs, per share liquidity providing fees for unintentional crosses will be reduced so that the net fee per share paid by the Member decreases to \$0.0001 per share

executed. Any discounts to liquidity providing fees from the ALP Program for ETFs will not be applied in the case of liquidity providing fees for unintentional crosses on ETFs.

*Other changes to fees*

Passive posting fees for non-ETFs priced under \$1 are also being reduced, with corresponding reductions being made to active rebates in order to better align fees with the value of the stock being traded. This is intended to promote increased passive liquidity by reducing the relative cost for doing so on low-priced stock.

For a complete summary of all of the planned changes to fees, a blacklined version of the TSX Alpha Exchange fee schedule is available for [download](#).

For more information regarding this notice, please contact the [Account Management Team](#).

Jeff Foster	(416) 947-4229
Pete Osborne	+44 7555 690 996
Jon Schneider	(416) 947-4484
Michael Tintinaglia	(416) 947-6679