

Notice to Members

August 11, 2014

2014-024

TSX VENTURE EXCHANGE ON TMX QUANTUM XA™ – IMPLEMENTATION UPDATE

TMX Group is pleased to provide additional information related to the TSX Venture Exchange (TSXV) migration to TMX Quantum XA platform.

As previously communicated in PO Notice 2014-017 (<http://www.tsx.com/resource/en/1031>) we will be migrating all TSX Venture Exchange securities to TMX Quantum XA over two phases. As communicated through technical notices subsequent to PO Notice 2014-017 please note the migration of TSX Venture Exchange to TMX Quantum XA is planned to commence on Monday September 15, 2014 as opposed to Monday September 8, 2014 as originally published.

This notice outlines detailed operational activities related to the first and second phase as well as the contingency plan.

Phase 1

- Effective at the close of business on **Friday, September 12th at 5:00p.m.**, all open orders on the securities starting with the Letters A through L will be purged as part of the TMX Quantum batch process for TSXV. No open orders for these symbols will be transferred as part of the migration.
- TMX Quantum XA Production environment for TSXV will be available on **Saturday, September 13th** for the purpose of re-entering GTC/GTD orders, for securities starting with the Letters A through L. Duration orders entered on the letters A through L will remain in the system with time priority effective for start-up on **Monday, September 15th**. Clients can also choose to re-enter GTC/GTD orders during the Monday regular pre-open session.

Phase 2

- Effective at the close of business on **Friday, September 19th at 5:00p.m.**, all open orders on the securities starting with the Letters M through Z will be purged as part of the TMX Quantum batch process for TSXV. No open orders for these symbols will be transferred as part of the migration.
- TMX Quantum XA Production environment for TSXV will be available on **Saturday, September 20th** for the purpose of re-entering GTC/GTD orders, for securities starting with the Letters M through Z. Duration orders entered on the letters M through Z will remain in the system with time priority effective for start-up on **Monday, September 22nd**. Clients can also choose to re-enter GTC/GTD orders during the Monday regular pre-open session.

Handling of Order Book (Open Orders) and Order Status (Removed Orders) messages

- Orders purged as part of Friday's End of Day batch (including all expired orders) will be reflected on Saturday's Order Status (Removed Orders) messages. The Order Status messages on Monday will not contain orders removed during Friday's End of Day batch.
- The Order Book (Open Orders) messages on Saturday will contain all open orders remaining in the system post batch. Monday's Order Book (Open Orders) will also reflect Saturday's order entry session on TMX Quantum XA for TSXV.
- Vendors who rely solely on the Order Book download (CBF, VRF, CL2, VQL2) for the purpose of building their level 2 displays will not be required to bring up their systems on the respective Saturdays.

Saturday, September 13th and Saturday, September 20th, 2014

- Order Book/Order Status/Symbol Status/Trading Tier: 3:00a.m. – 4:00a.m.
- Pre-Open: 7:00a.m. - 10:00 a.m.

Monday, September 15th and Monday, September 22nd

Regular operating schedule

Contingency Planning

- As per TMX standard procedure with all major equity trading implementations, a contingency plan has been created as part of the TMX Quantum XA initiative. By 10:00AM EDT on Saturday, September 13th, 2014, Market Operations will send an email through normal external notification channels confirming whether or not the first phase of the migration will proceed as planned for Monday, September 15th, 2014.
- If notification is provided that the first phase of the migration will not proceed as planned, symbols beginning with letters A through L will open for trading on Monday, September 15th on the existing TMX Quantum platform for TSXV. The open orders which were purged as part of the Friday night batch on TMX Quantum will be automatically reinstated into the trading system for the Letters A through L.
- If throughout the migration period (September 15th – September 22nd) unexpected issues arise in production preventing effective operation of TSX Venture Exchange on TMX Quantum XA platform, TMX will consider rolling back migrated symbols to the existing TMX Quantum platform overnight. In case of a roll back, any open orders would not be transferred from the TMX Quantum XA platform back to the TMX Quantum platform.

Gateway Testing Environment (GTE)

Please note the code for TSX Venture Exchange on TMX Quantum XA has already been implemented in our GTE. Market Operations will be reaching out to each direct connect over the coming weeks. If you would like to request Order Entry session bundles, please send an email request to vendor_services@tmx.com. **Further details with respect to available test securities will be made available in a subsequent notice.**

If you have further questions or need additional information, please contact TMX Market Operations at (416) 947-4705, or our Account Management Team.

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About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets and clearinghouses for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, TMX Select, Alpha Group, The Canadian Depository for Securities, Montreal Exchange, Canadian Derivatives Clearing Corporation, Natural Gas Exchange, BOX Options Exchange, Shorcan, Shorcan Energy Brokers, Equicom and other TMX Group companies provide listing markets, trading markets, clearing facilities, depository services, data products and other services to the global financial community. TMX Group is headquartered in Toronto and operates offices across Canada (Montreal, Calgary and Vancouver), in key U.S. markets (New York, Houston, Boston and Chicago) as well as in London, Beijing



and Sydney. For more information about TMX Group, visit our website at www.tmx.com. Follow TMX Group on Twitter at <http://twitter.com/tmxgroup>.

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