

Notice to Participating Organizations and Members



January 20, 2009

2009-004

Equity Trading Fee Change Notice TMX ETF Options Market Maker Rebate

TMX Group Inc. is pleased to announce its first cross-asset class fee incentive program to be added to the TSX Markets Fee Schedule effective February 1, 2009. This incentive program is designed to remove hedging friction for ETF options Market Makers and to attract further ETF trading activities and listing opportunities on Toronto Stock Exchange ("TSX") and Bourse de Montreal ("MX").

The TMX Group ETF Options Market Maker Rebate program provides incentives for ETF options Market Makers to hedge MX activities through cash positions on TSX. Each ETF options contract traded by the designated Market Maker on MX will generate 60 credits of \$0.0035 per share to offset ETF trading activities on TSX. The credits generated by the ETF options Market Maker firm, or by the Participating Organization acting as the introducing broker to the ETF options Market Maker, will be included on the TSX Trading Invoice and be utilized to offset other trading fees generated by the firm.

The development of this new cross-asset class subsidization of ETF options market making activities further supports TMX Group's efforts to encourage growth in the ETF sector, and to develop an integrated cash and derivatives trading business.

To obtain further details on the TMX ETF Options Market Maker Rebate program please contact a TMX account manager:

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About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, Montreal Exchange, Natural Gas Exchange, Boston Options Exchange (BOX), Shorcan, Equicom and other TMX Group companies provide trading markets, clearing facilities, data products and other services to the global financial community. TMX Group is headquartered in Toronto with offices in Montreal, Calgary and Vancouver. For more information about TMX Group, visit our website at www.tsx.com.

A French version of this notice is available on our web site at www.tsx.com. Une version française de cet avis est disponible sur notre site Web à l'adresse www.tsx.com.

**TSX Markets Schedule of Fees
Effective February 1, 2009**

One Time Set-Up Fees for New Participating Organizations and Members

Toronto Stock Exchange	Fee
Application Fee:	\$5,000 plus GST
Registration Fee (trading applicant):	\$60,000 plus GST
\$45,000 plus GST of the registration fee will be applied as a credit towards the first year's trading fees	
Registration Fee (non-trading applicant):	\$15,000 plus GST
\$45,000 plus GST will be applied as a trading registration upgrade fee with the trading activation of a PO number	
\$45,000 plus GST of the registration fee will be applied as a credit towards the first year's trading fees	
TSX Venture Exchange	Fee
Application Fee:	\$1,000 plus GST
Registration Fee (trading applicant):	\$30,000 plus GST
\$22,500 plus GST of the registration fee will be applied as a credit towards the first year's trading fees	
Registration Fee (non-trading applicant):	\$7,500 plus GST
\$22,500 plus GST will be applied as a trading registration upgrade fee with the trading activation of a PO number	
\$22,500 plus GST of the registration fee will be applied as a credit towards the first year's trading fees	

Trading Fees (volume-based, except as otherwise stated)

Toronto Stock Exchange	Fee
Basic Fee:	\$1,500 per month per participating organization
Opening Trades:	\$0.003 / share / side up to a maximum of \$30.00 per side
Must Be Filled (MBF):	\$0.003 / share / side up to a maximum of \$90.00 per side
Market on Close (MOC):	\$0.003 / share / side up to a maximum of \$30.00 per side
Extended Trading:	\$0.001 / share / side
Market Makers: Applies to symbols of responsibility	
High Priced Equities	Charge \$0.0033 per active share Credit \$0.0033 per passive share
Low Priced Equities	Charge \$0.0003 per active share Credit \$0.0003 per passive share
Fees waived for Opening trades MOC and Extended Trading billed at the normal rate for each product Net Market Maker credits will be applied to offset the firm's other trading charges and any residual credit will be rebated back to the firm Net Market Maker charges under the active/passive schedule will be capped at \$0.00 per trader ETF Market Makers will be credited an additional \$0.001 per passive share to help offset trading fees incurred from active ETF hedging activities	

Minimum Guaranteed Fill (MGF) Cancellations: \$100 per cancellation
Attributed to the participant responsible for causing an MGF trade to be cancelled

MGF and Odd Lot Fill: \$0.0039 per share for High Priced Equities
\$0.0010 per share for Low Priced Equities
Applies to trades executed against the Market Maker guaranteed fill service

Special Settlement Terms: \$0.001 / share / side up to a maximum of \$100.00 per side

The following TSX security categories are excluded from the calculation of post-open continuous market fees, and are billed as follows:

Rights/Warrants: Active side - charged 1/40th of 1% of the value traded up to a maximum of \$50 / trade, minimum charge \$0.50 / trade
Passive side - no charge
Intentional crosses and opening trades - charged 1/80th of 1% of the value / side up to a maximum of \$50 / trade

Notes/Debentures: \$0.10 per \$1000 par value / side

Exchangeables: Each trade (including intentional crosses) charged a flat fee of \$2.00 / side

TSX Venture Exchange Fee

Basic Fee: \$750 per month per member

Opening Trades: \$0.0012 / share / side up to a maximum of \$60.00 per side

Toronto Stock Exchange and TSX Venture Exchange Post-Open Continuous Market Fees

Low Priced Equity Fee Schedule:

Post-Open Continuous Market Trades for all TSX/TSXV equities where the trade price per-share is under \$1:

Fees to Take Liquidity ¹	Fee / Share
Monthly active volume: $X \leq 62.5\text{MM shares}^2$	\$0.0008
Monthly active volume: $62.5\text{MM} < X \leq 125 \text{ MM shares}$	\$0.0007
Monthly active volume: $X > 125\text{MM}$	\$0.0006

¹ Applies to active shares only.

² Volume thresholds are based on volume activity billed as post-open continuous market trades.

Liquidity Provider Credit ³	Credit / Share
Monthly passive volume: $X \leq 62.5\text{MM shares}^4$	\$0.0001
Monthly passive volume: $62.5\text{MM} < X \leq 125 \text{ MM shares}$	\$0.0002
Monthly passive volume: $X > 125 \text{ MM shares}$	\$0.0003

³ Applies to passive shares only.

⁴ Volume thresholds are based on volume activity billed as post-open continuous market trades.

High Priced Equity Fee Schedule:

Post-Open Continuous Market Trades for all TSX/TSXV equities where the trade price per-share is \$1 or over:

Fees to Take Liquidity ⁵	Fee / Share
Monthly active volume: $X \leq 125\text{MM shares}^6$	\$0.0037
Monthly active volume: $125\text{MM} < X \leq 250 \text{ MM shares}$	\$0.0035
Monthly active volume: $X > 250\text{MM shares}$	\$0.0033

⁵ Applies to active shares only.

⁶ Volume thresholds are based on volume activity billed as post-open continuous market trades.

Liquidity Provider Credit ⁷	Credit / Share
Monthly passive volume: $X \leq 125\text{MM shares}^8$	\$0.0029
Monthly passive volume: $125\text{MM} < X \leq 250 \text{ MM shares}$	\$0.0030
Monthly passive volume: $X > 250\text{MM shares}$	\$0.0031

⁷ Applies to passive shares only.

⁸ Volume thresholds are based on volume activity billed as post-open continuous market trades.

- Orders marked Jitney are not volume activity billed as post-open continuous market trades, and are billed at the base rate.
- Where liquidity is provided by the undisclosed portion of an iceberg during the post-open continuous market the credit is capped at a credit of \$0.0002 per share for equities where the trade price per-share is \$1 or over, or capped at \$0.000 for equities where the trade price per-share is under \$1, for such undisclosed volume.
- Undisclosed iceberg volume and Jitney volume are not included in the determination of the volume thresholds for post-open continuous market trades.
- Any net post-open continuous market credit will be applied to offset the firm's other trading charges.

Cross Printing Facility: **FREE**
Unintentional crosses are billed according to post-open continuous market fees

Specialty Crosses: **FREE**
Basis, VWAP, Contingent, Special Trading Session, Internal crosses

NEX	Fee
Trades	\$0.0005 / share / side \$3.00 per side minimum / \$50.00 per side maximum

TSX Venture Exchange Listing Incentive Program

For details on the TSX Venture Exchange Listing Incentive Program refer to '[Notice to Participating Organizations & Members' #2008-011](#).

Toronto Stock Exchange's Electronic Liquidity Provider (ELP) Program

Post-Open Continuous Market Trades for all TSX equities specified by TSX for pre-approved qualifying ELPs where the trade price per-share is \$1 or over:

ELP Fees to Take Liquidity⁹	Fee / Share
Average daily active volume: $X \leq 1.1\text{MM}$ shares ¹⁰	\$0.0035
Average daily active volume: $1.1\text{MM} < X \leq 2.7\text{MM}$ shares	\$0.0034
Average daily active volume: $X > 2.7\text{MM}$	\$0.0033

⁹ Applies to standard **continuously traded** active shares only.

¹⁰ Volume thresholds are based on volume activity generated by the ELP as standard post-open continuous market trades.

ELP Liquidity Provider Credit⁴	Credit / Share
Average daily passive volume: $X \leq 2\text{MM}$ shares ⁵	\$0.0033
Average daily passive volume: $2\text{MM} < X \leq 5\text{MM}$ shares	\$0.0034
Average daily passive volume: $X > 5\text{MM}$ shares	\$0.0035

⁴ Applies to standard continuously traded passive shares only.

⁵ Volume thresholds are based on volume activity generated by the ELP as standard post-open continuous market trades.

- Each individual ELP within a Participating Organization or its direct market access customer must be pre-qualified by TMX based on its proven experience in conducting high-frequency electronic trading, and subject to an ELP subscriber agreement. Once pre-qualified, each direct market access customer of a Participating Organization that undertakes proprietary trading or proprietary traders within a Participating Organization may be assigned a unique ELP-eligible TraderID. The above ELP rates will apply individually to each pre-qualified ELP that has traded ELP-eligible securities at least 65% passively with a minimum daily average of 500,000 passive shares within 25 or more ELP-eligible equities in a month. Participation in the ELP program is subject to an ELP subscriber agreement.

TMX ETF Options Market Maker Rebate

Designated ETF Options Market Makers on Bourse de Montreal trading in their symbol of responsibility can generate fee credits to offset equity trading fees on TSX.

Each ETF options contract traded by its market maker generates 60 credits of \$0.0035 each that are applied to offset underlying ETF trading fees on TSX.

The credits generated will be included on the TSX Trading Invoice for the ETF options Market Maker's firm, or to a designated Participating Organization acting as the ETF option market maker's agent.

Other Fees

Product	TSX	TSXV	TSX and TSXV
Connectivity (LANX)			No Charge ¹⁰
New STAMP / FIX certification			\$3,000
Session bundle set-up			\$500 per bundle
Broadcast Feeds (TBF / CBF):			
Participating Organization/Member ¹⁰	\$9,000 per month	\$6,000 per month	\$12,500 per month
Vendor ¹¹	\$10,000 per month	\$6,500 per month	\$14,500 per month
Additional broadcast feeds			\$600 per port per month
Base amount for weekend tests			\$2,500 per test
GTE only			\$2,000 per month

¹⁰ Vendor and participating organization/member are responsible for carrier communications costs
¹¹ For standard 2 port set-up, limit 2 connections per port

All fees are in Canadian dollars