

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.2 Marketplaces

13.2.1 Chi-X Canada – Notice of Proposed Changes and Request for Feedback

CHI-X CANADA ATS NOTICE OF PROPOSED CHANGES AND REQUEST FOR FEEDBACK

Chi-X Canada ATS Limited has announced its plans to implement the changes described below in October 2010. It is publishing this Notice of Proposed Changes in accordance with OSC Staff Notice 21-703 – *Transparency of the Operations of Stock Exchanges and Alternative Trading Systems*. Pursuant to OSC Staff Notice 21-703, market participants are invited to provide the Commission with feedback on the proposed changes.

Feedback on the proposed changes should be in writing and submitted by Monday, October 4, 2010 to:

Market Regulation Branch
Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Fax (416) 595-8940
Email: marketregulation@osc.gov.on.ca

And to:

Matthew Thompson
Chi-X Canada ATS
130 King Street West, Suite 2105
Toronto, ON M5X 1E3
Email: matthew.thompson@chi-xcanada.com

Comments received will be made public on the OSC website. Upon completion of the review by OSC staff, and in the absence of any regulatory concerns, notice will be published to confirm the completion of Commission staff's review and to outline the intended implementation date of the changes.

CHI-X CANADA ATS NOTICE OF PROPOSED CHANGES

Chi-X Canada ATS Limited ("Chi-X Canada") has announced its plans to implement the changes described below in October 2010. It is publishing this Notice of Proposed Changes in accordance with OSC Staff Notice 21-703 – *Transparency of the operations of Stock Exchanges and Alternative Trading Systems*.

Description of Proposed Changes and Reasons for Changes

Chi-X Canada is introducing the ability for Subscribers to designate orders as attributed on an order-by-order basis. Subscribers will be given the choice to have information about their Subscriber ID be displayed on orders entered and trades that occur. Whereas Subscriber orders on most Canadian marketplaces are attributed by default, Chi-X Canada will provide Subscribers this option. The change was introduced to provide Subscribers with greater choice in how they trade.

Impact of the Changes

Chi-X Canada will continue to support an anonymous order book while also providing Subscribers greater choice for order entry.

Consultations

Chi-X has consulted with industry participants who supported the proposed change.

Existence of Proposed Change in the Market

Currently all lit marketplaces in Canada operate as attributed markets. Subscribers are able to trade anonymously by opting out of attribution through the use of Broker ID #001.

Any questions regarding these changes should be addressed to Matthew Thompson, Chi-X Canada: matthew.thompson@chi-xcanada.com, T: 416 304-6376.