

B.11.2.3 TSX Inc. and TSX Venture Exchange Inc. – Proposed Amendments – Joint Notice and Request for Comments

**JOINT NOTICE OF
PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS**

TSX INC. AND TSX VENTURE EXCHANGE INC.

TSX Inc. (“**TSX**”) is publishing this Notice of Proposed Amendments and Request for Comments in accordance with the “Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto”, and TSX Venture Exchange (“**TSXV**” and together with TSX, the “**Exchanges**”) is publishing this Notice of Proposed Amendments and Request for Comments, regarding the proposed introduction of a new ultra-low latency 10 Gigabit (“**Gb**”) co-location network connectivity option on each of the Exchanges (the “**TMX Ultra 10Gb Connectivity**”), and certain related fee changes (the “**Proposed Fee Changes**”), as further described below (collectively, the “**Amendments**”).

Comments should be in writing and delivered by October 13, 2025 to:

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Comments will be made publicly available unless confidentiality is requested. The Proposed Amendments will only become effective following public notice and comment and approval by each of the Alberta Securities Commission, British Columbia Securities Commission and Ontario Securities Commission.

Outline and Rationale for the Amendments

As part of the co-location products, the Exchanges currently offer the following connectivity options to TMX’s Extranet (i.e. the gateway to TMX matching engines and market data feeds): (i) a redundant pair of 1 Gb/s connections (the “**1Gb Connectivity**”)¹; and (ii) a 10 Gb/s connectivity option (the “**Current 10Gb Connectivity**”, and together with the Current 1Gb Connectivity, the “**Current Connectivity Offerings**”).

The TMX Ultra 10Gb Connectivity will be a new co-location network connectivity option for order entry and feed connectivity and will be an optional ultra-low latency service available to all new and existing co-location clients. By using optimized network infrastructure, the TMX Ultra 10Gb Connectivity will provide lower latency access to TMX matching engines, with an estimated latency improvement of approximately 14 microseconds round-trip for Order Entry, and of approximately 1 microsecond for the receipt of market data feeds, compared to the Current Connectivity Offerings.

The TMX Ultra 10Gb Connectivity will be offered by the Exchanges as an additional optional connectivity offering in response to: (i) increasing customer demand for minimized latency; (ii) the desire for the Exchanges to remain globally competitive; and (iii) the Exchanges’ desire to provide customers with innovative and optimized trading technology and performance. The importance attributed to minimizing latency can vary by organizations and their business model. While the Current Connectivity Offerings reflect standard offerings within peer exchanges (both in Canada and internationally), there continues to be growing client demand for faster processing of message traffic, and the Exchanges aim to continually innovate to improve trading performance and meet the evolving requirements of Canadian capital market participants. The TMX Ultra 10Gb Connectivity aims to meet this client demand by providing an option to decrease the time individual orders are processed, which is highly-valued among various market participants to support their selected business model. Such demand for latency-optimized services is not unique to the Exchanges. The TMX Ultra 10Gb Connectivity is an offering that aligns with ultra-low latency 10Gb connectivity options other markets (e.g. NASDAQ US, New York Stock Exchange (“**NYSE**”) and Deutsche Börse) have already adopted for their clients, in addition to existing 10Gb connectivity options.

¹ Each full or half cabinet offered by the Exchanges includes a redundant pair of 1Gb connections to TMX’s Extranet.

The Proposed Fees in connection with the TMX Ultra 10Gb Connectivity are the following: (i) \$5,200 per month for the first TMX Ultra 10Gb Connectivity; and (ii) \$3,900 per month for each additional TMX Ultra 10Gb Connectivity, as set out in the table below.

Product Name	Rates (per month)	
Co-Location with Exchange Connectivity	Current Fee	Proposed Fee
Full cabinet ⁽¹⁾	\$9,200	\$9,200 (No Change)
Half cabinet ⁽¹⁾	\$5,750	\$5,750 (No Change)
Initial set-up fee	\$5,750 (one-time fee)	\$5,750 (No Change) (one-time fee)
Fee Reductions for Multi-Year Commitment to Full Cabinets	Current Savings per Cabinet	Proposed Savings per Cabinet
3 year term	\$550	\$550 (No Change)
4 year term	\$1,125	\$1,125 (No Change)
5 year term	\$1,700	\$1,700 (No Change)
Connectivity to TMX Extranet	Current Fee	Proposed Fee
First 10 Gb/s ⁽²⁾	\$1,725	\$1,725 (No Change)
Each additional 10 Gb/s ⁽²⁾	\$1,150	\$1,150 (No Change)
First TMX Ultra 10Gb Connectivity ⁽³⁾	N/A	\$5,200 (Proposed Fee)
Each additional TMX Ultra 10Gb Connectivity ⁽³⁾	N/A	\$3,900 (Proposed Fee)

Notes:

- (1) Please note that the price of full cabinets and half cabinets includes two 1 Gb/s Exchange connections.
- (2) Each 10Gb/s connection uses a single solid-core fibre optic cable.
- (3) The TMX Ultra 10Gb Connectivity will be deployed using solid-core, single-mode-fibre optic cabling.

Blackline of the Proposed Fee Changes

A blackline of the Co-Location Fee Schedule to reflect the Proposed Fee Changes is attached at Appendix A.

Expected Date of Implementation

The Amendments will be implemented on November 3, 2025, subject to regulatory approval.

Expected impact on the market structure, members and, if applicable, on investors, issuers and capital markets

We do not anticipate any negative impact on the market structure, members, investors, issuers or the capital markets with respect to the Amendments. Each of the Exchanges believes that the Amendments are fair and reasonable, and will not create barriers to access. The TMX Ultra 10Gb Connectivity is optional and is being provided at a competitive and reasonable fee, expanding our Current Connectivity Offerings to meet diverse client needs.

We believe that the TMX Ultra 10Gb Connectivity will have a positive impact as the service offering: (i) addresses a market need; (ii) allows for a more efficient use of networking equipment for participants that wish to use the service; and (iii) remains accessible to all participants.

Technical developments are not required for clients who wish to utilize the TMX Ultra 10Gb Connectivity, as the TMX Ultra 10Gb Connectivity leverages the common 10G Ethernet standard which is widely used in our co-location facility today.

The 1Gb Connectivity and Current 10Gb Connectivity will continue to be available to existing and new clients and to provide sufficient bandwidth for order entry and market data feed delivery. Customers whose business needs are being met by the Current Connectivity Options will continue to have the option to access both the 1Gb Connectivity and the Current 10Gb Connectivity. Customers will also have the option to utilize simultaneously the TMX Ultra 10Gb Connectivity and the Current Connectivity Offerings. Appropriate internal technology controls and operational procedures will be implemented to ensure there is no change in latency to the Current Connectivity Offerings following the implementation of the TMX Ultra 10Gb Connectivity.

Please see below for a table demonstrating the fees involved for: (i) a new client that does not currently take any co-location products and takes one TMX Ultra 10Gb Connectivity; and (ii) an existing client upgrading to the TMX Ultra 10Gb Connectivity. For an existing client taking one Current 10Gb Connectivity, upgrading to one TMX Ultra 10Gb Connectivity will represent a monthly increase of \$3,475. As further discussed under the section entitled “Do the Proposed Fees introduce a fee model that currently exists in other markets or jurisdictions”, this monthly increase is generally lower than, or comparable to, fees charged by our international peers for a comparable upgrade.

Product Name	Example 1: New co-location client ⁽³⁾	Example 2: Existing client upgrading to the TMX Ultra 10Gb Connectivity ⁽⁴⁾	
Co-Location Product ⁽¹⁾⁽²⁾	Amount payable for one full cabinet and one TMX Ultra 10Gb Connectivity	Amount currently payable for one full cabinet and one Current 10Gb Connectivity	Amount payable for one full cabinet and one TMX Ultra 10Gb Connectivity
Full cabinet ⁽²⁾	\$9,200 per month	\$9,200 per month	\$9,200 per month
Initial Set Up Fee	\$5,750 (one-time fee)	N/A ⁽⁵⁾	N/A ⁽⁵⁾
First 10 Gb/s connectivity	–	\$1,725 per month	–
First TMX Ultra 10Gb/s Connectivity	\$5,200 per month	–	\$5,200 per month
Total Monthly Fees	\$20,150 for the first month, then \$14,400 per month (excludes the one-time set up fee of \$5,750 referred to above)	\$10,925	\$14,400

Notes:

- (1) The table assumes implementation of the Proposed Fees and does not take into account fee reductions for multi-year commitment to full cabinets.
- (2) Please note that the price of full cabinets and half cabinets includes two 1 Gb/s Exchange connections.
- (3) The existing, one-time initial set up fee of \$5,750 to take co-location products will continue to apply to new co-location clients, which will include any new co-location clients wishing to access the TMX Ultra 10Gb Connectivity.
- (4) Assumes the existing client has already paid for the initial one-time set up fee of \$5,750.
- (5) Existing clients, who have already paid the one-time initial set up fee to take co-location products, will not have to pay any additional installation or set-up fees to access the TMX Ultra 10Gb Connectivity.

Expected impact of the Amendments on each of the Exchanges’ compliance with applicable securities law and in particular on requirements for fair access and maintenance of fair and orderly markets

We believe that the Amendments are in compliance with applicable securities law, and in particular with requirements for fair access and maintenance of fair and orderly markets. Execution speed and efficiency are important drivers of fair and orderly markets, and the Exchanges believe that providing a service that is available to all co-location clients which promotes these drivers will enhance market access and trading operations. The TMX Ultra 10Gb Connectivity will be available to all clients who choose to subscribe, based on their individual commercial and business requirements or preferences.

We recognize that different participants have varying business needs and strategies. The TMX Ultra 10Gb Connectivity is an entirely voluntary upgrade, designed to provide a choice for clients whose business needs are sensitive to optimized latency profiles. Our internal estimates suggest that less than 50% of current co-location clients are anticipated to voluntarily upgrade, demonstrating that the service is not expected to become a de facto necessity for all participants. Additionally, a participant who does not subscribe to the TMX Ultra 10Gb Connectivity can still achieve comparable or even superior latency performance by optimizing the technology architecture within their own co-location cabinet.

When determining the fee for this optional service, a primary objective was to ensure that the fee was competitively positioned to promote accessibility to such service across a broad client base while simultaneously ensuring that the service is commercially viable. The Exchanges believe the Proposed Fees to be fair and reasonable. The TMX Ultra 10Gb Connectivity has been designed using the latest generation of network and security technology and will involve the purchase of new hardware by the Exchanges. In offering the TMX Ultra 10Gb Connectivity, each of the Exchanges will incur various costs pertaining to the data center where the network resides, hardware and equipment costs, and costs related to installation, testing and on-going support. The Proposed Fees will help offset the costs incurred by each of the Exchanges for this optional service.

As mentioned earlier, the Exchanges will continue to provide the Current Connectivity Offerings and co-location clients will have the option to choose to remain with the Current Connectivity Offerings. All co-location clients that voluntarily choose the TMX Ultra 10Gb Connectivity will be charged in the same amount and manner to cover the hardware, installation, testing and connection costs to maintain and manage this optional offering.

Public Interest

For the reasons mentioned above, each of the Exchanges is of the view that the Amendments are not contrary to the public interest.

Consultations undertaken in formulating the Amendments, including the internal governance process

In formulating the Amendments, the internal governance process for each of the Exchanges was followed, which included receipt of the appropriate management-level approval, and all applicable internal groups at each of the Exchanges were consulted, were supportive of the Amendments, and considered them to be reasonable.

A diverse array of market participants, representing more than 75% of the total footprint amongst the Exchanges' colocation cabinets, were consulted in formulating the Amendments. The Exchanges conducted consultations with a wide range of colocation clients, that can be broadly classified in the following categories: (i) data vendors; (ii) market makers that are not proprietary and high-frequency trading firms (e.g. banks); and (iii) proprietary and high-frequency trading firms. These clients are generally based in Canada and in the U.S.

Clients were provided with an overview of the TMX Ultra 10Gb Connectivity, including the anticipated product performance and pricing information. Market participants were generally supportive of the TMX Ultra 10Gb Connectivity, citing alignment with strategic objectives, the desire to stay competitive in dynamic trading landscapes, and the desire to optimize performance. Market participants generally did not express any concerns with the price or consider the price as being unreasonable. Some participants expressed that they did not consider the TMX Ultra 10Gb Connectivity to be necessary to meet their specific business needs, but did not have concerns with the proposed introduction of the TMX Ultra 10Gb Connectivity. The feedback reinforces that TMX Ultra 10Gb Connectivity is an innovative, optional enhancement. As a result, participants can choose the service that best aligns with their business objectives, and it is not a mandatory upgrade for any firm.

Any alternatives considered

No alternatives were considered.

Do the Amendments introduce a fee model that currently exists in other markets or jurisdictions

A review of connectivity fee models of both Canadian and non-Canadian equity marketplaces was undertaken to assist in setting a fee model for the TMX Ultra 10Gb Connectivity. Currently, certain Canadian equity marketplaces offer a 10Gb connectivity for order entry and feed delivery (e.g., Canadian Securities Exchange, Cboe Canada, and Nasdaq Canada). We are unaware of any equity marketplaces in Canada that offer a lower latency 10Gb connectivity option similar to the TMX Ultra 10Gb Connectivity. However, we note that Nasdaq Canada currently offers a 1Gb "Ultra" connectivity option for \$1,500 per month (without offering a similar "Ultra" option for its 10Gb connectivity) and does not offer a standard 1Gb Connection to their production environment. Additionally, certain marketplaces in the U.S. and internationally offer a similar service as the TMX Ultra 10Gb Connectivity (e.g., Nasdaq US, NYSE and Deutsche Börse).

The following table compares the Proposed Fees to the fees being charged by some of our international peers that offer a 10Gb connectivity and/or a lower latency 10Gb connectivity offering.

Our analysis reveals that the Proposed Fees are: (i) substantially lower than the fees charged by each of our international peers for an offering comparable to the TMX Ultra 10Gb Connectivity; and (ii) generally lower than, or comparable to, the fees charged by international peers that offer a 10Gb connectivity, but do not offer a service comparable to the TMX Ultra 10Gb Connectivity (e.g. LSE, Euronext). Each of our international peers prices their lower latency 10Gb connectivity at a premium over their standard 10Gb offering.

Exchange (prices in Canadian dollars) ⁽¹⁾	Price for first 10Gb Connectivity ⁽²⁾	Price for first Lower Latency 10Gb Connectivity ⁽²⁾
TSX	\$1,725 ⁽³⁾	\$5,200 ⁽⁴⁾
Nasdaq US	\$15,060 (USD\$11,000)	\$22,590 (USD\$16,500)
NYSE	\$15,060 (USD\$11,000)	\$30,120 (USD\$22,000)
LSE	\$5,307 (GBP\$2,875)	N/A
Deutsche Börse ⁽⁵⁾	\$19,170 (EUR\$6,000 + EUR\$6,000)	\$21,087 (EUR\$7,200 + EUR\$6,000)

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Exchange (prices in Canadian dollars) ⁽¹⁾	Price for first 10Gb Connectivity ⁽²⁾	Price for first Lower Latency 10Gb Connectivity ⁽²⁾
Euronext ⁽⁶⁾	\$13,582 (EUR\$6,002 + EUR\$2,500)	N/A

Notes:

(1) Fees converted to Canadian dollars using the following monthly rates for July 2025 as published by the Bank of Canada and rounded to the nearest dollar: USD\$1 = CAD\$1.3691, GBP\$1 = CAD\$1.8458, EUR\$1 = CAD\$1.5975.

(2) As noted above, the price of our full cabinets and half cabinets includes two 1 Gb connections. Each of our competitors listed in this table does not offer free connectivity to production.

(3) Price for the first Current 10Gb Connectivity. The price for each additional Current 10Gb Connectivity is \$1,150.

(4) Price for the first TMX Ultra 10Gb Connectivity. The price for each additional TMX Ultra 10Gb Connectivity is \$3,900.

(5) Deutsche Börse charges a connectivity fee to receive market data and a separate fee for the ability to submit orders. The Exchanges do not charge separate connectivity fees for order entry and feed connectivity.

(6) Euronext charges two separate connectivity fees for full access to their marketplaces.

The following table compares the cost of a full cabinet and one TMX Ultra 10Gb Connectivity against: (i) the price for a comparable service at other international exchanges; and (ii) the cost of a cabinet with a standard 10Gb connectivity, including for exchanges that do not offer a service similar to the TMX Ultra 10Gb Connectivity (e.g. LSE, Euronext). The table (1) assumes implementation of the Proposed Fees, (2) assumes that it is an existing client and therefore the initial one-time set up fee is not reflected, and (3) does not take into account fee reductions for multi-year commitment to full cabinets.

Our analysis reveals that the fees charged by the Exchanges to upgrade from the Current 10Gb Connectivity to the TMX Ultra 10Gb Connectivity are generally lower than, or comparable to, the fees charged by our international peers who offer a similar upgrade. Additionally, our analysis reveals that when factoring in the cost of a cabinet, the Proposed Fees remain: (i) substantially lower than the fees charged for comparable co-location products by each of our international peers; and (ii) generally lower than or comparable to the fees charged by international peers that offer a 10Gb connectivity, but do not offer a service comparable to the TMX Ultra 10Gb Connectivity.

Exchange (prices in Canadian dollars) ⁽¹⁾	Price Paid Per Month for a Full Cabinet ⁽²⁾ with one 10Gb Connectivity ⁽³⁾	Price Paid Per Month for a Full Cabinet ⁽²⁾ with one Ultra- Low Latency 10Gb Connectivity ⁽³⁾	Price Paid Per Month to upgrade from 10Gb connectivity to Ultra-Low Latency 10Gb Connectivity
TSX	\$10,925 ((\$1,725 + \$9,200))	\$14,400 ((\$5,200 + \$9,200))	\$3,475
Nasdaq US	\$20,331 (USD\$11,000 + \$3,850)	\$27,861 (USD\$16,500 + \$3,850)	\$7,530
NYSE	\$24,918 (USD\$11,000 + \$7,200)	\$39,978 (USD\$22,000 + \$7,200)	\$15,060
LSE	\$16,806 (GBP\$2,875 + GBP\$6,230)	N/A	N/A
Deutsche Börse ⁽⁴⁾	\$25,416 (EUR\$6,000 + EUR\$6,000 + EUR\$3,910)	\$27,333 (EUR\$7,200 + EUR\$6,000 + EUR\$3,910)	\$1,917
Euronext ⁽⁵⁾	\$27,090 (EUR\$6,002 + EUR\$2,500 + EUR\$8,456)	N/A	N/A

Notes:

(1) Fees converted to Canadian dollars using the following monthly rates for July 2025 as published by the Bank of Canada and rounded to the nearest dollar: USD\$1 = CAD\$1.3691, GBP\$1 = CAD\$1.8458, EUR\$1 = CAD\$1.5975.

(2) Using comparable power-rated cabinets (6kW) or the cabinet immediately exceeding 6kW in power rating.

(3) As noted above, the price of our full cabinets and half cabinets includes two 1 Gb connections. Each of our competitors listed in this table does not offer free connectivity to production.

(4) Deutsche Börse charges a connectivity fee to receive market data and a separate fee for the ability to submit orders. The Exchanges do not charge separate connectivity fees for order entry and feed connectivity.

(5) Euronext charges two separate connectivity fees for full access to their marketplaces.

APPENDIX A
PROPOSED FEE CHANGES

Please see attached.

Co-Location Fee Schedule

TMX DATALINX

Co-Location with exchange connectivity	Rates
Full cabinet (42U, 6 kw maximum)	\$9200.00 monthly
Half cabinet (21U, 3 kw maximum)	\$5750.00 monthly
Initial set-up fee	\$5750.00 one-time
Fee reductions for multi-year commitment to full cabinets	Savings per cabinet
3 year term	\$550.00 monthly
4 year term	\$1125.00 monthly
5 year term	\$1700.00 monthly
10Gb/s connectivity Connectivity to TMX Extranet	Rates
First 10Gb/s TMX Ultra connection in a cabinet	\$1725.00 \$5,200.00 monthly
Each additional 10Gb/s TMX Ultra connection in a cabinet	\$3,900.00 monthly
First 10Gb/s connection in a cabinet	\$1725.00 monthly
Each additional 10GB/s connection in a cabinet	\$1150.00 monthly

Notes:

- (1) Pricing is in Canadian dollars and does not include taxes.
- (2) No additional fees for power consumed.
- (3) Each full or half cabinet includes a redundant pair of 1Gb/s connections to TMX's Extranet. (i.e. gateway to TMX matching engines and market data feeds)
- (4) Each 10Gb/s connection is a single fibre optic cable.
- (5) [Each 10Gb/s TMX Ultra connection utilizes fibre optic cabling.](#)