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Superintendent of Securities, Yukon
Superintendent of Securities, Nunavut
Superintendent of Securities, Consumer, Corporate and Insurance Services, Office of the Attorney General, Prince Edward Island
Saskatchewan Financial Services Commission
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Dear CSA:

Re: Notice of Proposed National Instrument 23-103 – *Electronic Trading and Direct Electronic Access to Marketplaces* (ETR Rule)

TMX Group is pleased to respond to the proposed ETR Rule. We acknowledge the significant amount of work done by the CSA to put forward a rule that seeks to address the risks associated with electronic trading. We applaud the approach taken by CSA staff in developing the ETR Rule which included meeting with marketplaces, marketplace participants and service vendors. The current patchwork of IIROC guidance and marketplace rules and policies that cover "direct access" trading is outdated and, more importantly, does not adequately deal with the risks associated with electronic trading. We support a CSA initiative such as the ETR Rule that applies to all marketplace participants and marketplaces, to ensure that parties are operating in compliance with the same risk management regulatory framework in order to adequately manage risks associated with electronic trading.

We believe that the proposed ETR Rule is a significant improvement over the existing equity marketplace direct market access ("DMA") rules. In this regard, it is the intention of TSX, TSXV and TMX Select to overhaul their existing DMA rules and policies when the ETR Rule is implemented. We intend to remove the concept of eligible client from these DMA rules and policies, as we believe that our Participating Organizations, Members and Subscribers should not have their client base restricted by marketplace rules. In addition, we intend to remove DMA requirements that are duplicative of the provisions in the ETR Rules such as the requirement for certain prescribed provisions in written agreements between a participant and its client.

As the CSA moves toward the implementation of a final version ETR Rule, we respectfully request that the CSA continue to consult regularly with industry participants. With the SEC's recent announcement of its delay of a portion of SEC Rule 15c3-5, it seems clear that early dialogue between regulators and industry is the most effective manner to ensure that: (i) the cost of implementing new rules does not outweigh the benefits of the rule; and (ii) implementation of rules are not unnecessarily delayed. With respect to the development and implementation of the proposed ETR Rule, TMX Group believes that it is imperative for the CSA to have an ongoing dialogue with participants that offer direct electronic access to marketplaces in order for the ETR Rule to be effective.

In this letter, TMX Group is commenting on behalf of its two national equities exchanges – Toronto Stock Exchange (TSX) and TSX Venture Exchange (TSXV), as well as Canada's national derivatives exchange, Montreal Exchange Inc. (Bourse) and our new alternative trading system TMX Select. For purposes of this letter, all capitalized terms have the same meanings as defined in the ETR Rule unless otherwise defined in this letter. For ease of reference, our comments are organized under the main headings used in Part III *Description of the Proposed Rule* of the CSA Notice of the ETR Rule (Notice).

1. Requirements Applicable to Marketplace Participants

i. Marketplace Participant Controls, Policies and Procedures

TMX Group supports the CSA's intention to ensure that marketplace participants are subject to an appropriate risk management regime with respect to direct electronic access trading. We expect that marketplace participants will comment directly on the appropriateness of the provisions set out in Part 2 of the proposed ETR Rule.

In particular, we urge the CSA to engage directly with marketplace participants to ensure that the credit/capital threshold requirements in subsection 3(a)(i) of the proposed ETR Rule are relevant and appropriate and to discuss with marketplace participants whether risk controls to limit financial exposure of the market participant should be extended to also protect DEA clients. Given that rules about managing credit risk of DMA clients are not included in the existing DMA rules of TSX or TSXV, this ETR Rule requirement will be new in the context of direct electronic access trading. It is our understanding that current DMA trading is often performed through delivery-against-payment or receipt-against-payment relationships. Trades arising from these customer relationships are reviewed post-trade, usually upon settlement, and do not lend themselves to pre-trade credit reviews. The systems currently in place at many market participants for credit management of retail order flow are therefore not in place for institutional DAP/RAP order flow. In the U.S., this new credit risk management requirement imposed by the

SEC through Rule 15c3-5 has caused broker-dealers significant difficulties and ultimately led the SEC to delay its implementation of this portion of Rule 15c3-5. We have found SIFMA's April 21, 2011 letter[1] to the SEC instructive in this regard and we encourage the CSA to have a detailed dialogue with marketplace participants on this matter before finalizing the ETR Rule.

ii. Allocation of Control over Controls, Policies and Procedures

We have no comments on this section of the ETR Rule.

iii. Use of Automated Order Systems

TMX Group agrees with the purpose associated with section 5 of the proposed ETR Rule. We note that the language in subsection 5(1) differs from the convention used throughout the proposed ETR Rule. In the majority of provisions in the ETR Rule, obligations are imposed on either a marketplace or a marketplace participant to create processes and controls. To be consistent with the convention used throughout the ETR Rule, we would suggest that subsection 5(1) should impose an obligation on the marketplace participant that it establish processes that are reasonably designed to ensure that the use of automated order systems either by it or by any of its clients will not interfere with fair and orderly markets.

2. Requirements Specific to DEA

TMX Group strongly supports the CSA's view that a consistent DEA framework across marketplaces and marketplace participants will facilitate appropriate and consistent risk management in this area. With respect to the CSA's goal to reduce the risk of arbitrage among participant dealers providing DEA, we note from our experience in overseeing the TSX and TSXV DMA rules that the CSA and IIROC should be prepared to provide detailed guidance to participant dealers with respect to the minimum standards that will be expected of them in order to achieve ETR Rule compliance. Principled requirements are useful, but regulatory arbitrage can still occur in practice through varying rule interpretations at the participant dealer level. Detailed guidance in certain areas of the ETR Rule could be helpful to prevent extreme gaps from developing in DEA risk management practices across participant dealers.

i. The Provision of DEA

We recognize that subsection 6(2) of the proposed ETR Rule restricts the types of registrants that are permitted to access a marketplace via direct electronic access. The first permitted registrant category is the participant dealer category, which we view essentially as jitney relationships. The second permitted registrant category is portfolio managers. As acknowledged by the CSA, investment dealers that are not participant dealers can therefore not be extended direct electronic access. TMX Group does not disagree with the logic used by the CSA in formulating this restriction, and we note that the denial of DMA access to non-participant investment dealers is consistent with current TSX and TSXV DMA rules. However, we note our experience at TSX and TSXV over the years where portfolio managers with DMA access have upgraded their registration status to that of investment dealer, with no intention of becoming

[1] Sifma letter dated April 21, 2011 addressed to Mr. Robert Cook, Director, Division of Trading and Markets Re: Rule 15c3-5 under the Exchange Act: Risk Management Controls for Brokers or Dealers with Market Access; http://www.sifma.org/issues/item.aspx?id=25608; accessed 04/07/11.

exchange members, and through the upgraded registration process, have lost their eligible client status. It does seem to be a strange result where a registrant can upgrade its registration status, and lose its previous direct access to an exchange.

We also observe that by its prohibitive language, subsection 6(2) produces a result for certain registrants that is contrary to current DMA practice. Under the DMA rules of our equities marketplaces, US broker-dealers qualify as clients eligible for DMA. US broker-dealers that proceed with obtaining a Canadian exempt market dealer registration are not denied DMA. This result changes under the proposed ETR Rules where subsection 6(2) would appear to deny a US broker-dealer direct electronic access if it also obtains an exempt market dealer registration. We query whether this is an unintended consequence given that there have never been concerns expressed to TMX Group with respect to these DMA eligible clients.

The CSA has requested input on whether certain individuals should be permitted DEA. In our view, individuals should be permitted DEA when they have adequate knowledge, experience and financial resources and it should be left to market participants to determine whether or not they should grant them DEA. For example, DEA to the Bourse has been granted to individuals with significant trading experience such as former registered traders and floor traders. In these cases, market participants have generally acted in a prudent manner granting access only after receiving sufficient assurance that these individuals had adequate trading experience and knowledge as well as sufficient financial resources. Since these individuals generally trade very actively, they significantly contribute to the price discovery process and bring liquidity to the Bourse. Prohibiting them from DEA could therefore have the effect of causing harm to the market. Furthermore, reviews by the Bourse have shown that market participants who grant DEA to individuals generally have in place criteria and parameters that are adequate and that they clearly make the distinction between institutional clients and individual ones.

It is also worth noting that DEA generally involves significant costs for users such as set-up fees, monthly connection charge, bandwidth usage fees, etc. DEA is therefore of interest only to a very limited audience since an individual must necessarily trade very actively and have significant financial resources to cover the cost of DEA trading. As a result, DEA presents little or no interest for the typical retail client and this has the effect of limiting the number of DEA customers that are individuals.

We do not believe that the proposed ETR Rule should impose different standards for individual clients. It should remain the market participant's responsibility, pursuant to its know-your-client process, to determine whether or not an individual should be permitted DEA; to set the minimum criteria that must be satisfied by such individual to be granted DEA; and to set the trading parameters that will be applicable. However, all requirements relating to risk management and supervisory controls, procedures and policies should apply.

ii. Requirements Applicable to Participant Dealers Providing DEA

Minimum Standards

TMX Group strongly agrees that the ETR Rule should not include an eligible client list. In our view, this is a weakness of the current TSX, TSXV and TMX Select DMA rules and we intend to repeal the eligible client lists once the ETR Rule is implemented.

Written Agreement

We believe that the marketplace participants are best positioned to work with the CSA to ensure that the proposed section 8 of the ETR Rule includes appropriate agreement provisions. However, we have a few suggestions based on our experience with DMA. In order to ensure that a client identifier be used exclusively by the client to whom such identifier has been assigned and therefore have a reliable audit trail, the written agreement should include an undertaking from the client that the identifier assigned to the client will be used exclusively by the client and/or its authorized employees. Prohibiting use of the client identifier by any other party than the client would also help to avoid situations where an identifier is passed along to another party that is unknown to the market participant and to the market.

There should also be an obligation for the client to provide to the market participant a list of its employees that are authorized to use the identifier as well as an obligation to provide an updated list whenever a change of personnel occurs. It should also be clearly stated that such list will be provided upon request to the regulation services provider or to the marketplace, as the case may be.

We note that when the ETR Rule comes into force with this section 8, each of TSX, TSXV and TMX Select will propose to repeal the client agreement requirements in their DMA rules and policies.

Training for DEA Client

We have no comments on this section of the ETR Rule.

Client Identifiers

Section 10 of the proposed ETR Rule appears to be a codification of current TSX and TSXV DMA practices whereby every DMA client must direct its orders through a unique trader ID, and provide the DMA client identity to IIROC or TSX/TSXV. Section 10 clarifies that, under the ETR Rule, the identity of the DEA client need only be provided directly to IIROC (where an exchange, such as TSX or TSXV, retains IIROC as a regulation services provider). This provision along with section 10 of proposed Companion Policy 23-103CP (ETR Companion Policy) seems to permit the current TSX/TSXV method of using trader IDs to track DEA client order flow. As discussed below under heading 3(ii), we agree that the current methodology used for tracking DMA customers will be appropriate to track DEA client activity, and that any other new method of identifying DEA clients would be costly to the industry, without adding value. We submit, as is set out in greater detail under heading 3(ii), that the CSA require participant dealers to disclose trader IDs for DEA clients to marketplaces – not the identity of the DEA client, but rather a confirmation of which trader IDs are being used for direct electronic access trading. This would enable marketplaces to better manage risk generally and we believe that this disclosure is required in order for marketplaces to meet their obligations under the proposed rules.

We are confused by the language used in section 10 of the ETR Companion Policy that outlines those entities that are permitted to view the DEA client ID if the ID is included in a private field. This list does not include marketplaces. The absence of a marketplace from this list is inconsistent with the reality that all private fields associated with an order are disclosed to the

marketplaces on which that order is entered. The ETR Companion Policy should explicitly include the marketplace to which the DEA client is sending orders as a permitted entity.

In addition, parts of the proposed ETR Rule give the impression that a DEA client can have only one client identifier. In many instances, particularly in the case of institutional investors, trading activities are taking place in separate business units that operate independently from each other. In these cases, it should be possible for a DEA client to obtain multiple identifiers so that each business unit is assigned its own distinctive identifier. This permits a clearer audit trail for both the market participants and the marketplace or its regulation services provider. In the case of a corporate group, each separate legal entity of the group should have its own identifier. Again, having separate identifiers for each entity of a corporate group allows for a clearer audit trail and will facilitate the identification of the source of an order and/or transaction.

Trading by DEA Clients

We believe that marketplace participants are best positioned to work with the CSA to ensure that the proposed section 11 of the ETR Rule includes appropriate provisions. We urge the CSA to have discussions with marketplace participants that have established global affiliate networks in order to ensure that existing systems with adequate risk management controls are not unintentionally excluded under the language in the proposed section 11.

3. Requirements Applicable to Marketplaces

i. Order and Trade Information

Section 12 in the proposed ETR Rule requires a marketplace to provide its participants with reasonable access to its order and trade information on an immediate basis. It is TMX Group's understanding that every marketplace is compliant with this requirement through their provision of an order entry acknowledgement/response message. Thus, in our view, this provision does not require marketplaces to provide any new reporting or feed services beyond the response messaging that is being provided today. If this is not the case, TMX Group would be concerned that an obligation to provide additional trade and order reporting imposes redundant demands on marketplaces to support multiple and potentially costly services based on differing dealer requirements and capabilities in receiving and processing this information.

ii. DEA Client Identifiers

Section 13 of the proposed ETR Rule states that a marketplace "must not permit a marketplace participant to provide direct electronic access unless the marketplace's systems support the use of DEA client identifiers". The Notice states that this provision would standardize an existing practice of some marketplaces to "be able to support the use of these [unique client] identifiers".[2] It is important to note that the language used in section 13 of the ETR Rule appears to go beyond current practices and therefore is more than a codification of current marketplace practices. It is possible that this is a matter to be clarified by drafting given that section 10 of the ETR Companion Policy states, "following industry practice, the participant dealer will collaborate with the marketplace with respect to generating the necessary identifiers".

[2] (2011) 34 OSCB 4140.

We understand the TMX marketplaces to be the most advanced in the practice of administering DMA client IDs. It is therefore important that the CSA understand the current DMA client identifier framework. There is no existing order marker or tag that is used to identify DMA clients. Current practice is for participants of the TMX Group marketplaces to provide a list of trader IDs through which DMA clients send order flow. Each trader ID identified as DMA is only permitted to support order flow from one DMA client. At TSX and TSXV, this practice is managed by the participant that provides the list of trader IDs that support DMA. For trading on TSX and TSXV, the participant also identifies the DMA client associated with the trader ID either to the marketplace or directly to IIROC. If the purpose of the CSA is to codify this practice, whereby (i) IIROC knows the trader ID associated with each participant's DEA client; and (ii) the marketplace knows the trader IDs that support DEA order flow, then a number of elements in the ETR Rule (and in the current proposed amendments[3] to National Instrument 21-101 *Marketplace Operation* (NI 21-101)) should be addressed.

First, language in NI 21-101's proposed revised document retention requirements in section 11.2 should be rewritten to remove the assumption that unique client identifiers exist. Rather, the requirement could be that marketplaces keep information that enables a determination to be made that the order/execution report was in respect of an order sent by a DEA client. Second, an obligation should be imposed on market participants in the ETR Rule to identify the trader IDs that are supporting DEA order flow (see our discussion above under heading 2(ii)). Without this requirement, a marketplace cannot adequately establish the necessary risk management practices that cover direct electronic access trading. We are not advocating that participants be required to provide the names of DEA clients to marketplaces, but we are advocating that the trader IDs associated with DEA client trading be identified to marketplaces. We believe that the identification of the IDs used by DEA clients is necessary in order for a marketplace to fulfill its obligations under ETR Rule section 14 (see our discussion below under heading 3(iii)). We also believe that codifying the practice of using trader IDs for this purpose will standardize the practice across our market. Having a standard practice in this regard is the only practice that will enable marketplaces to fulfill their obligations under sections 13 and 14 of the proposed ETR Rule.

Within the ETR Rule, redrafting the definition of "DEA client identifier" and its reference in Part 1 of the ETR Companion Policy could remove any confusion, and would confirm that the current practice of using trader IDs as DMA client identifiers should continue to be used going forward. For example, the above definition or the ETR Companion Policy could confirm that the trader ID assigned by a marketplace qualifies as a "DEA client identifier" so long as the trader ID used is used solely by the DEA client.

[3] (2011) 34 OSCB (Supp-1). March 18, 2011.

As stated in the TMX Group submission[4] on the proposed amendments to NI 21-101, to require a change in practice to create a net new system for DEA client identifiers would be extremely costly to market participants and marketplaces, and would require technology adjustments by vendors as well, without any corresponding benefit. We therefore request that the CSA revise language in the proposed ETR Rule and in the proposed amendments to NI 21-101 to ensure that this practice and the CSA's new requirements related to this practice is clarified.

To summarize, TMX Group believes that allocating trader IDs to DEA client order flow should be sufficient to meet the requirements of ETR Rule section 13. We would not support a requirement for each DEA client to have a unique DEA identifier distinct from a marketplace trader ID.

iii. Marketplace Controls Relating to Electronic Trading

TMX Group agrees with the general purpose associated with the marketplace controls requirement that is imposed through section 14 of the proposed ETR Rule; however, we believe that, as currently drafted, this concept goes too far. First, we agree that marketplaces should have the ability and authority to terminate access provided to a marketplace participant or a DEA client. As per our discussion in the above section, it is prudent therefore for a marketplace to be advised by each participant of the trader IDs that support DEA order flow. With this knowledge, a marketplace could ensure that its ability to disable trader IDs or otherwise terminate order entry access to its trading engine would enable it to terminate access for a particular DEA client. If it is not the CSA's intention to require such disclosure to marketplaces by participants, then we suggest drafting language to that effect in the ETR Companion Policy. (For example, confirmation that, with respect to DEA clients, a marketplace would be compliant with section 14(1) so long as it could terminate access of a DEA client when the trader ID associated with such DEA client is identified to the marketplace by the participant or by a regulation services provider.) We also note that in order for marketplaces to have the "authority" to terminate such access, it is likely that the subscriber or participant agreements of each marketplace, and/or their trading rules or policies, will need to be amended. The CSA will need to take this into account when establishing an implementation date for the ETR Rule.

With respect to subsection 14(2), we believe that DEA client IDs must be disclosed to a marketplace in order for the marketplace to assess the effectiveness of its risk practices, and to identify any additional "risk management and supervisory controls, policies, and procedures related to electronic trading", that it needs to understand the extent of electronic trading, and specifically DEA activity, that is occurring on its market. Knowing what activity is DEA, and therefore being able to assess the frequency, volume, patterns, profile, and means of access associated with DEA order flow is critical to determining whether current risk practices are sufficient and effective, and in assessing the risk impact such flow may have on a marketplace's systems and operations, other participants, and the market in general. This information is a key input into marketplace technology and capacity planning, infrastructure development, the development of risk controls and features, and modifying and establishing appropriate operational, trading support, and general risk management policies and procedures. The absence of such information would significantly impair a marketplace's ability to "assess and

[4] Letter from Kevan Cowan dated June 16, 2011 addressed to the CSA Re: Notice of Proposed Amendments to National Instrument 21-101 Marketplace Operation and National Instrument 23-101 Trading Rules; http://www.osc.gov.on.ca/en/21462.htm.

document the adequacy and effectiveness of any risk management and supervisory controls, policies, and procedures" as outlined in section 14 and the ETR Companion Policy.

We also believe that the language in section 14 of the ETR Companion Policy as currently drafted goes too far in intending to meet the purpose of appropriate risk management at a marketplace. As currently drafted, this provision requires marketplaces to enter into a completely new type of relationship with each participant which we do not believe is appropriate. We agree with the language used in the Notice that describes the additional requirements as those that "ensure that marketplaces regularly assess and document whether they require any risk management and supervisory controls, polices and procedures to ensure fair and orderly trading, [and] ensure that marketplaces regularly assess and document the adequacy and effectiveness of any risk management and supervisory controls, policies and procedures they implement".[5]

By contrast, the ETR Companion Policy at page 4166 of the Notice goes significantly further by expecting that a marketplace "will be aware of the risk management and supervisory controls, policies and procedures of its marketplace participants and assess if it needs to implement additional controls, policies and procedures to eliminate any risk management gaps and ensure the integrity of trading on its market." Through this language, the CSA is requiring a marketplace to force each of its participants to disclose the participant's proprietary, and possibly confidential, risk management and supervisory controls. This requirement is completely inappropriate.

The ETR Rule establishes minimum risk management standards on participants that provide direct electronic access to marketplaces. Marketplaces should be able to assume that their participants are compliant with the ETR Rules. It is the CSA's and IIROC's obligation as part of their oversight role over participating dealers to ensure compliance with these rules. In building their own risk management controls, policies and procedures, marketplaces can focus on implementing controls that appropriately manage marketplace risk, with the assumption that marketplace participants are meeting their ETR Rule risk management obligations. Thus, so long as a marketplace is knowledgeable about the risk management requirements imposed on a participating dealer as set out in the ETR Rule, the marketplace should not be forced to learn about the <u>actual</u> controls, policies and procedures implemented at each of its participants. A requirement of actual knowledge of such controls on a participant-by-participant basis significantly extends a marketplace's current responsibilities, changes the nature of the marketplace-participant relationship, requires new disclosure by participating dealers of proprietary information, and increases costs. Further, this burden is entirely unnecessary given that IIROC and the CSA are best positioned to ensure that participating dealers are compliant with risk management rules, whether imposed through the ETR Rule or pursuant to other legislation.

iv. Marketplace Thresholds

TMX Group agrees with the purpose of section 15 of the proposed ETR Rule which will require marketplaces to prevent executions if those executions could result in a market which is not fair and orderly. The notion of equity marketplaces using standardized thresholds to limit risks associated with certain erroneous orders is sensible. However, given the construct of the

[5] (2011) 34 OSCB 4140.

proposed rule which permits a regulation services provider to set price and volume thresholds at a later date, we are unable to provide a more informed view on the benefits of such standardization, including whether the direct costs of imposed configuration on marketplaces and the associated indirect costs that could flow to market participants, would outweigh benefits to the market. Industry participants will need to review a detailed thresholds proposal by IIROC before properly assessing the implications related to this requirement. For example, the Canadian market could be negatively impacted if marketplace price thresholds are too restrictive in their design. To avoid such an unintended consequence, any proposed thresholds must be determined with the input of industry participants and subject to a public comment process to ensure adequate feedback. Until that process occurs, and in the absence of the actual thresholds being contemplated by IIROC, we cannot assess the benefits, costs and implications generally related to this requirement.

Section 15 of the ETR Companion Policy states that a coordination requirement applies when setting a price threshold for securities that have underlying interests in an exchange-traded security. This requirement therefore captures the derivatives that are traded on the Bourse. With respect to the values adopted for price and volume thresholds, there must be a difference between the thresholds applied to exchange-traded securities and those applied to the derivatives that have underlying interests in those exchange-traded securities. The price of the underlying security is only one of the factors that determine the price of a derivatives contract, and therefore a strict relationship between the price threshold for an underlying security and the derivative on that underlying security would not be practicable. This is particularly apparent in the pricing of options contracts, where the price (or “premium”) depends on several factors such as implied volatility, strike price, time to expiration, and the price of the underlying security. Price thresholds for derivatives must therefore be based on the prices quoted on those derivatives instruments, and not on the prices of the underlying securities. We urge the CSA to review the language used in section 15 of the proposed ETR Rule and section 15 of the ETR Companion Policy to ensure that the “coordination” wording is broad enough to give the Bourse the flexibility that it needs in order to set appropriate thresholds.

v. Clearly Erroneous Trades

TMX Group is supportive of section 16 of the proposed ETR Rule. In particular, we appreciate the clarity provided in subsection 16(2) which outlines the framework for the treatment of erroneous trades that applies to marketplaces that have retained a regulation services provider. We believe that standardization across equity marketplaces is necessary in this respect. In the current Canadian market where one regulation services provider is used by all equity marketplaces, the determination of whether certain trading activity compromises the quality of the Canadian markets should be made by IIROC in consultation with the marketplace. IIROC with its real-time surveillance capabilities is in the best position to assess errors, inconsistencies, and other impacts to market quality in the context of the entire market. IIROC is the entity that is best positioned to consider and make a decision to cancel, vary or correct trades on a marketplace which may have been caused by a system or technological malfunction of the marketplace systems or equipment. To allow discretion to a marketplace in this regard will result in inconsistencies that could negatively impact our market quality. Therefore TMX Group believes that proposed section 16 is beneficial to the market as a whole.

4. **Other Jurisdictions**

TMX Group acknowledges and appreciates the review of international initiatives that was undertaken by the CSA in formulating the ETR Rule. As we have discussed earlier in this letter, the SEC's Rule 15c3-5 is very similar to the proposed ETR Rule. As the U.S. market implements its sponsored access rule in a phased-in manner, we respectfully request that the CSA take into account any issues and concerns that the U.S. rule has raised, in order to enhance the development, and ultimate implementation, of the ETR Rule.

Yours truly,

Kevan Cowan
President, TSX Markets and Group Head of Equities