



NEWS RELEASE

TMX Group Announces New Equity Trading Fee Program

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Introducing a market-driven solution to optimize maker-taker rates

May 4, 2015 (TORONTO) – TMX Group today announced that it is making important changes to its equity trading fee schedules that will deliver significant benefits to the market. TMX is proactively addressing industry concerns related to the maker-taker fee model through a measured rate reduction program for Toronto Stock Exchange, TSX Venture Exchange and TSX Alpha Exchange.

"TMX is leading the way with a market-driven solution that will address the issues head-on, while taking care to preserve Canada's competitiveness," said Kevan Cowan, President TSX Markets, Group Head of Equities, TMX Group. "Our maker-taker fee optimization program is a continuation of our efforts to re-shape Canada's equities trading environment and make the markets function better."

The globally-adopted maker-taker model involves paying rebates to participants that add liquidity ("maker") and charging a fee to participants that remove liquidity ("taker"). This model was introduced to Canada more than a decade ago to increase trading liquidity, tighten price spreads and increase the competitiveness of the Canadian capital markets. However, over time, market structure has evolved and the model has raised concerns about market efficiency, fairness and quality.

A drastic reduction or outright removal of the maker-taker model can have a negative impact on the market, including increased spreads, rise in volatility and loss of liquidity. To address these challenges, TMX is instead introducing a program of phased reductions in maker-taker rates that is designed to gradually lower dealer active trading costs, minimize unnecessary intermediation and increase investor confidence. This approach provides the ability to carefully monitor and actively manage the market impact of the changes.

The first phase of reductions, which is effective June 1, 2015 subject to regulatory approval, will differentiate between fees for interlisted and non-interlisted securities to maintain the competitiveness of the Canadian market relative to the U.S. market. Taker fees will be reduced up to 34% with an average reduction of 26% across all securities and participants, while maker rebates will be reduced by an average of 31%.

Subsequent phases of the program will be implemented in 6-9 month intervals over the next 18-24 months. Future rate adjustments will be determined based on data-driven research, detailed impact analysis and client feedback to ensure that any unintended consequences are addressed.

"Our clients have been instrumental in sharing their input and we will rely on their ongoing feedback to assess each stage of the program," added Cowan. "We also invite and encourage other Canadian trading venues to make similar changes to their fee schedules to amplify the benefits to Canadian market participants."

More detailed information about the trading fee changes is available at <http://www.tsx.com/resource/en/1115/>.

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, The Canadian Depository for Securities, Montréal Exchange, Canadian Derivatives Clearing Corporation, NGX, 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 <http://www.tmx.com>. Follow TMX Group on Twitter at <https://twitter.com/tmxgroup>.

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