



INVESTMENT INDUSTRY ASSOCIATION OF CANADA  
ASSOCIATION CANADIENNE DU COMMERCE DES VALEURS MOBILIÈRES

**Press Release  
For Immediate Release**

### **IIAC Review Merits of TMX Group – London Stock Exchange Merger**

**Toronto, February 18, 2011** – On February 9, 2011, the TMX Group and London Stock Exchange (LSE) announced plans to merge their respective stock exchanges. The merger will result in a trans-Atlantic consolidation of two front rank stock exchanges with specialization in large and small resource company listings and trading. The distinct business operations of these merged stock exchanges will be headquartered in London, Montreal, Toronto, Calgary and Vancouver. The two stock exchanges have provided details on the proposed organizational structure of the merged entity and the related revenue and cost synergies.

The member firms of the Investment Industry Association of Canada account for the majority of the financial advice, share trading, and underwriting and distribution of new shares of TSX and TSXV listed shares. The impact of the merger of the TSX and TSXV, and the LSE, on the liquidity of traded shares, the cost and efficiency of trade execution, and access to newly offered shares is vitally important to Canadian investors, companies listing shares for trading and issuing new shares, and to the investment industry in Canada. The IIAC believes that maintaining and growing primary listings on the TSX and TSXV is essential to the vitality of the investment industry in Canada.

At this stage, the two exchange groups engaged in the merger have not provided sufficient detail to draw conclusions on the competitive impact on traded equity markets and capital formation. The Association is reviewing the transaction, as further details are released in connection with the various regulatory and government reviews, and canvassing its member firms for insights on the impact of the merger on their clients. The Association will make public a definitive position on the merits of the merger, notably benefits to Canadian investors, companies and the capital markets, once sufficient information becomes available.

#### **The Investment Industry Association of Canada (IIAC)**

The Investment Industry Association of Canada (IIAC) is a member-based professional association that advances the growth and development of the Canadian investment industry. The IIAC acts as a strong, proactive voice to represent the interests of our member firms, which range in size from small firms to large organizations that employ thousands of individuals across the country. Our members work with Canadians to help build prosperity and investment security for investors and their families. For more information, please visit [www.iiac.ca](http://www.iiac.ca).

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