



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

Ian C.W. Russell FCSI
President & Chief Executive Officer

April 6, 2020

Mr. John McKenzie
Interim Chief Executive Officer and Chief Financial Officer
TMX Group
300 - 100 Adelaide St. West
Toronto, ON M5H 1S3

Dear John:

Re: CDS Fee Increase

As you are aware, the operational and revenue effects resulting from the COVID-19 pandemic has put our industry under significant pressure. In particular, the small and mid-sized dealers face new challenges that quite possibly will result in a material reduction of the number of firms operating in that market segment.

Under the current circumstances, we request, on behalf of our members, that the fee increase reflecting a 3% increase to Brink's (CDS's armoured courier service supplier) fees that are scheduled to be passed down to participants and take effect on June 1, 2020, be withdrawn, for the time being to alleviate an element of market stress for our critical market participants.

We are making similar requests for moratoriums on fee increases, and fee deferrals to other market participants, in order to ease the burden on dealers during this unprecedented set of circumstances, to help ensure that the industry emerges from this challenging period strong and intact. As a part of this effort the IIAC has implemented a four-month deferral on 2020 annual fees until July 2020.

Thank you for your consideration of this proposal.

Yours sincerely,

c.c.: Margaret Reid, Head of Participant Engagement Post Trade Modernization margaret.reid@tmx.com