



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

[www.iiac.ca](http://www.iiac.ca)

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**Delivered Via Email:** [legal@tmx.com](mailto:legal@tmx.com); [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

M<sup>e</sup> Alexandre Normandeau  
Legal Counsel  
Bourse de Montréal Inc.  
1800-1190 av des Canadiens-de-Montréal  
P.O. Box 37  
Montréal, Québec H3B 0G7

M<sup>e</sup> Philippe Lebel  
Corporate Secretary and Executive Director, Legal Affairs  
Autorité des marchés financiers  
Place de la Cité, tour Cominar  
2640 Laurier boulevard, suite 400  
Québec, Québec G1V 5C1

Dear M<sup>e</sup> Normandeau and M<sup>e</sup> Lebel,

**Re: Bourse de Montréal Inc. – Request for Comments - Amendments to the Rules of Bourse de Montréal Inc. regarding trade cancellation and/or price adjustment**

The Investment Industry Association of Canada (the "IIAC") and its members would like to take this opportunity to express their views on the proposed amendments (the "Proposal") to the Rules (the "Rules") of Bourse de Montréal Inc. (the "Bourse") regarding trade cancellation and/or price adjustment as per Circular 200-20 (the "Circular") issued on November 20, 2020.

The IIAC is the national association representing the position of 116 IIROC-regulated dealer member firms on securities regulation, public policy and industry issues. We work to foster a vibrant, prosperous investment industry driven by strong and efficient capital markets.

We remind the Bourse that this comment letter, in its entirety, can be published on the Bourse's website.

### **Objective of the Proposed Amendments**

As stated in the Circular:

The objectives behind the proposed modifications are two-fold: a) Bring clarity and transparency to the time allowed to Bourse officials, within its Rules, to cancel or adjust a trade, whether of its own volition or requested by its market participants; and b) verify No-Review range increments to ensure they are aligned with the standards established by global exchange peers and respond to market participants expectations whilst maintaining rigorous monitoring and compliance measures.

### **Position of the Industry**

The IIAC and its members do not oppose the Proposal.

However, we believe that Article 6.210 -Trade Cancellation and/or Price Adjustment – should be consistent with the current proposal, and that paragraph (c) below should therefore be changed to state that the Bourse can cancel a trade within 30 minutes, instead of 15 minutes.

(c) Trade Price Inside the No-Review Range. If the Bourse determines that the Trade price is inside the No Review Range, the Bourse will notify the two Approved Participant counterparties to the Trade that the Trade shall stand as executed; *provided however*, the Bourse may cancel such a Trade within 15 minutes of the Trade's execution and within the trading session during which the Trade was executed (early, regular or extended), if both Approved Participant counterparties to the Trade voluntarily consent to cancellation of the Trade.

Please note that the IIAC and its members, as always, remain available for further consultations.

Yours sincerely,

A handwritten signature in black ink that reads "A. Sinigagliese". The signature is written in a cursive, flowing style.

Annie Sinigagliese  
Managing Director  
Investment Industry Association of Canada  
[Asinigagliese@iiac.ca](mailto:Asinigagliese@iiac.ca)