



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

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

June 12, 2020

**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 Article 6.201 of the Rules of the Bourse to update the Average Price Transactions section**

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 Article 6.201 of the Rules of the Bourse de Montréal Inc. (the "Bourse") to update the Average Price Transactions section as per Circular 063-20 (the "Circular") issued on April 20, 2020.

The IIAC is the national association representing the position of 115 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 Bourse de Montréal Inc. that this comment letter, in its entirety, can be published on the Bourse's website.

### **New Average Price Service ("APS") Tool Implementation**

The Bourse, as stated in the circular:

*is in the process of making a new APS tool available to market participants, to facilitate the management of trade allocations by brokers at the end of the day...the transfer of positions from an inventory account to client accounts at an average price was allowed and possible, but the average price calculation and subsequent allocations were handled by Participants themselves via their own proprietary average pricing system. The implementation of this new tool seeks to facilitate position transfer to client accounts while minimizing the risk of errors.*

The industry welcomes the new APS tool and believes it will be an enhancement to post-trade allocations to client accounts. As mentioned in the circular, it should facilitate the management of trade allocations:

*Having the ability to manage position transfer at an average price directly within the Bourse's trading system should benefit the whole market. The implementation of the APS tool will also align the Bourse with international standards, as major derivative exchanges have been offering this facility for many years.*

### **Adapting the Rules of the Bourse**

The Bourse needs to adapt its rules to an electronic trading model. It must also adapt its rules to introduce the new APS tool which should be beneficial for post-trade allocation management.

## **Position of the Industry**

The IIAC and its members support the Proposal.

We do believe that the Proposal assists IIAC members by improving post-trade allocation management efficiency, without negative impacts to markets or investors. Furthermore, we believe that harmonization with major exchanges is beneficial for industry participants.

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

Yours sincerely,

A handwritten signature in blue ink that reads "A. Sinigaglia".

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