



## NEWS RELEASE

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*For Immediate Release*

### **IIAC Supports CSA Plan to Proceed With Trading Fee Rebate Pilot Study**

**Toronto, ON, January 23, 2020** – Today, the Canadian Securities Administrators (CSA) announced that it will proceed with a Trading Fee Rebate Pilot Study, conditional on a similar study being conducted in the U.S. The Pilot Study will eliminate the existing “maker-taker” trading fee model – i.e. the fees and rebates payable for transactions in highly liquid and medium liquid securities. The purpose of the study is to examine the impact of “maker-taker” trading fees on order routing behaviour, trade execution and general market quality.

The use of rebate payments to attract orders has become a standard fee model employed by Canadian marketplaces. Parties that accept an offer made by a trader pay a fee, while those that propose the transaction receive a rebate.

“The Investment Industry Association of Canada (IIAC) has long advocated for a fee rebate pilot study to measure, analyze and possibly correct any distortions and harmful effects on equity market structure stemming from the existing complex and opaque “maker-taker” system,” said IIAC President and CEO Ian Russell. “We are pleased the CSA intends to conduct such a study.”

Ideally the CSA study of non-interlisted securities should be conducted alongside the SEC Pilot Study to minimize market disruption and obtain consistent data.

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#### **The IIAC – Representing Canada’s Investment Dealer Firms**

The Investment Industry Association of Canada (IIAC) is the national association representing the investment industry’s position on securities regulation, public policy and industry issues on behalf of our 120 IIROC-regulated investment dealer Member firms. These dealer firms are the key intermediaries in Canadian capital markets, accounting for the vast majority of financial advisory services, securities trading and underwriting in public and private markets for governments and corporations. The IIAC provides leadership for the Canadian securities industry with a commitment to a vibrant, prosperous investment industry driven by strong and efficient capital markets. For more information, please visit [www.iiac.ca](http://www.iiac.ca).

#### **For media inquiries, please contact:**

Melodie Edwards  
Director, Communications and Branding  
The Investment Industry Association of Canada (IIAC)  
416.687.5490