



Notice to Participating Organizations and Members

March 24, 2011

2011-023

EQUITY TRADING INVOICE NOTICE – GST/HST EXEMPTION

Effective February 1, 2011, GST/HST is no longer being applied to all trading execution fees¹ on the Toronto Stock Exchange (“TSX”) and/or TSX Venture Exchange (“TSXV”). This change was reflected on each participant’s TSX/TSXV February invoice distributed on March 10, 2011, at which time notification to the invoice recipients of this change was provided.

The decision to no longer apply GST/HST was made in response to the recent CRA ruling specific to Alpha ATS L.P. trading execution fees. In this ruling, the CRA determined that GST/HST did not apply to Alpha’s trading execution fees. The CRA has not yet provided TMX with an official ruling on TSX and TSXV trading execution fees, however, we are currently working directly with CRA to present our case for similar treatment. TMX Group is committed to providing our customers with very competitive trading fees. As such, we decided to act immediately on the CRA ruling on Alpha’s trading execution fees.

Please note that if CRA disagrees with the TMX view and does not apply the Alpha ruling to the TSX and TSXV trading execution fees, TMX will, pursuant to the GST/HST legislation, seek to recover the GST/HST that applies to all TSX and TSXV trading execution fees on which GST/HST has not been charged.

It is important to note that each market participant may be eligible for a rebate of overpaid GST/HST, possibly since the point of the initial Alpha ruling request, which was August 2008. In most cases, there is a statutory limitation on GST/HST rebates of two years. Therefore, it is important that you submit a request for rebate of GST/HST overpaid on TSX/TSXV trading execution fees quickly and on the most advantageous basis possible. Your request should be submitted directly to the CRA and we suggest that you speak with your tax advisors for further information on how to submit a rebate application for GST/HST paid in error.

TMX will continue to keep you apprised of all updates on this very important matter.

Please contact your TMX account manager with any questions.

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¹ TMX Group will continue to apply GST/HST on all application fees and monthly access fees. This change does not apply to any other products or services provided by the TMX Group or any of its affiliates.

