

7.3

Réglementation des bourses, des
chambres de compensation, des OAR et
d'autres entités réglementées

7.3. RÉGLEMENTATION DES BOURSES, DES CHAMBRES DE COMPENSATION, DES OAR ET D'AUTRES ENTITÉS RÉGLEMENTÉES

7.3.1 Consultation

Services de dépôt et de compensation CDS inc. (la « CDS ») – Modifications importantes aux Procédés et méthodes de la CDS – Changement à la période récente pour les attributions des pertes FINet

L'Autorité des marchés financiers publie le projet, déposé par la CDS, de modifications importantes aux procédés et méthodes concernant le changement à la période récente pour les attributions des pertes FINet. Les modifications proposées visent à modifier la formule d'attribution des pertes FINet afin de réduire et de faire passer le nombre maximal de jours dans la définition du terme « période récente » de 365 jours civils à 30 jours civils.

(Les textes sont reproduits ci-après).

Commentaires

Les personnes intéressées à soumettre des commentaires peuvent en transmettre une copie, au plus tard le 11 octobre 2011, à :

M^e Anne-Marie Beaudoin
Secrétaire de l'Autorité
Autorité des marchés financiers
800, square Victoria, 22^e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
Télécopieur : 514 864-6381

Courrier électronique : consultation-en-cours@lautorite.qc.ca

Information complémentaire

Pour de plus amples renseignements, on peut s'adresser à :

Monique Viranyi
Analyste expert aux OAR
Direction de la supervision des OAR
Autorité des marchés financiers
Téléphone : 514 395-0337, poste 4359
Numéro sans frais : 1 877 525-0337, poste 4359
Télécopieur : 514 873-7455
Courrier électronique : moniqueviranyi@lautorite.qc.ca

Alpha Exchange Inc. (« Alpha Exchange ») – Projet de modifications des politiques de négociation et de la convention d'adhésion en matière de tenue de marché

L'Autorité des marchés financiers publie le projet de modifications, déposé par Alpha Exchange, portant les politiques de négociation et la convention d'adhésion en matière de tenue de marché (présentement disponibles en anglais uniquement). Ce projet vise à modifier la proposition de teneur de marché contenue dans la demande sous examen coordonné en vertu de l'*Instruction générale 11-203 relative au traitement des demandes de dispense dans plusieurs territoires* de dispense de reconnaissance à titre de bourse déposée par Alpha Exchange et publiée pour commentaires à la section 7.1 du bulletin du 15 avril 2011 (Vol. 8, n° 15.).

(Les textes sont reproduits ci-après).

Commentaires

Les personnes intéressées à soumettre des commentaires sur la demande de dispense ainsi que sur la demande de reconnaissance et les questions soulevées doivent en transmettre une copie, au plus tard le 11 octobre 2011, à :

M^e Anne-Marie Beaudoin
Secrétaire de l'Autorité
Autorité des marchés financiers
800, square Victoria, 22^e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
Télécopieur : 514 864-6381
Courrier électronique : consultation-en-cours@lautorite.qc.ca

Information complémentaire

Pour de plus amples renseignements, on peut s'adresser à :

Élaine Lanouette
Analyste expert aux OAR
Direction de la supervision des OAR
Autorité des marchés financiers
Téléphone : 514 395-0337, poste 4356
Numéro sans frais : 1 877 525-0337, poste 4356
Télécopieur : 514 873-7455
Courrier électronique : elaine.lanouette@lautorite.qc.ca

**Avis et sollicitation de commentaires – Modifications importantes aux Procédés et méthodes de la CDS
concernant le changement à la période récente pour l'attribution des pertes FINet**

Services de dépôt et de compensation CDS inc. (« CDS »^{MD})

MODIFICATIONS IMPORTANTES AUX PROCÉDÉS ET MÉTHODES DE LA CDS

Changement à la période récente pour les attributions des pertes FINet

SOLLICITATION DE COMMENTAIRES

A. DESCRIPTION DES MODIFICATIONS PROPOSÉES AUX PROCÉDÉS ET MÉTHODES DE LA CDS

Le changement proposé vise à modifier la formule d'attribution des pertes FINet afin de réduire et de faire passer le nombre maximal de jours dans la définition du terme « période récente » de 365 jours civils à 30 jours civils.

B. NATURE ET OBJET DES MODIFICATIONS PROPOSÉES AUX PROCÉDÉS ET MÉTHODES DE LA CDS

Advenant une défaillance d'un adhérent FINet et que la valeur réalisée de sa garantie pour couvrir les pertes résultantes est insuffisante, la perte résiduelle est attribuée aux adhérents FINet obligés en fonction des activités boursières de chaque obligé avec l'adhérent défaillant. Afin de calculer la part de la perte résiduelle de chaque obligé, la CDS examine les opérations initiales entre l'adhérent défaillant et les obligés, opérations dont l'établissement du solde net a été effectué dans FINet au cours de la « période récente ». La période récente correspond au nombre de jours civils avant le jour de la défaillance nécessaire à l'accumulation de la valeur en dollars des opérations initiales ayant cinq fois la valeur en dollars des opérations sur valeurs à livrer et à recevoir nettes prévues de l'adhérent défaillant qui ont été remplacées par la CDS au cours du processus de liquidation (essentiellement les positions ouvertes nette de l'adhérent défaillant).

Avec la mise en œuvre de FINet, le nombre maximal de jours pour la période récente avait été établi à 365 jours civils. Depuis, les adhérents ont indiqué qu'il s'agissait d'une période trop longue et qu'ils préféreraient une période plus courte, le motif étant que l'exposition aux contreparties avec lesquelles les adhérents FINet ont explicitement décidé de ne plus négocier ne devrait pas se prolonger pendant une période trop longue.

C. INCIDENCE DES MODIFICATIONS PROPOSÉES AUX PROCÉDÉS ET MÉTHODES DE LA CDS

C.1 Concurrence

À l'heure actuelle, FINet est le seul service de contrepartie centrale pour les valeurs à revenu fixe et le marché monétaire au Canada. La CDCC élabore à l'heure actuelle un service de contrepartie centrale qui remplacera à un moment donné FINet. La nature des modifications proposées aux Procédés et méthodes n'a aucune incidence sur la concurrence.

C.2 Risques et coûts d'observation

Ces modifications n'entraînent aucune incidence sur les risques ou les coûts d'observation.

C.3 Comparaison avec les normes internationales – (a) le Comité sur les systèmes de paiement et de règlement de la Banque des règlements internationaux, (b) le Comité Technique de l'Organisation internationale des commissions de valeurs et (c) le Groupe des Trente

Les modifications proposées sont conformes à toutes les normes internationales pertinentes.

**Avis et sollicitation de commentaires – Modifications importantes aux Procédés et méthodes de la CDS
concernant le changement à la période récente pour l'attribution des pertes FINet**

D. DESCRIPTION DU PROCESSUS DE RÉDACTION DES PROCÉDÉS ET MÉTHODES

D.1 Contexte d'élaboration

La CDS a élaboré les modifications proposées et le Comité consultatif sur le risque les a étudiées et présentées aux fins d'approbation le 7 décembre 2010 et le 18 janvier 2011.

D.2 Processus de rédaction des Procédés et méthodes

Les modifications proposées aux Procédés et méthodes de la CDS sont étudiées et approuvées par le Comité d'analyse du développement stratégique (« CADS ») de la CDS. Le CADS détermine ou étudie, surveille et établit l'ordre de priorité des projets de développement des systèmes de la CDS et l'apport d'autres modifications proposées par les adhérents et la CDS. Le CADS compte parmi ses membres des représentants des adhérents de la CDS et il se réunit mensuellement.

Ces modifications ont été étudiées et approuvées par le CADS le 23 juin 2011.

D.3 Questions prises en compte

En fonction d'un niveau de confiance de 99 %, dans 1 % des cas, les 30 jours civils ne seraient pas suffisants pour cumuler cinq fois les positions en cours. Si cinq fois les positions en cours n'ont pas pu être atteintes en 30 jours civils, la valeur en dollars disponible des opérations initiales cumulées est utilisée pour calculer le pourcentage de la perte.

Si aucune opération initiale n'a été effectuée au cours de la période récente, les pertes résiduelles sont attribuées en fonction de la quote-part des cotisations des adhérents obligés actifs à l'ensemble du fonds des adhérents.

D.4 Consultation

La CDS a élaboré les modifications proposées et le Comité consultatif sur le risque les a étudiées et présentées aux fins d'approbation le 7 décembre 2010 et le 18 janvier 2011. Au cours de la période de consultation, les adhérents n'ont pas soulevé de questions ou d'objections importantes.

D.5 Autres possibilités étudiées

Diverses autres périodes de rétrospectives ont été envisagées, soit des périodes entre 8 jours ouvrables et 20 jours ouvrables (c'est-à-dire, environ 30 jours civils). Le Comité consultatif sur le risque a discuté des niveaux de confiances résultantes et a convenu que le niveau de confiance de 99 % reçu avec 30 jours civils été approprié.

D.6 Plan de mise en œuvre

La CDS est reconnue à titre d'agence de compensation par la Commission des valeurs mobilières de l'Ontario (« CVMO ») en vertu de l'article 21.2 de la *Loi sur les valeurs mobilières* de l'Ontario. L'Autorité des marchés financiers (« AMF ») a autorisé la CDS à poursuivre les activités de compensation au Québec en vertu des articles 169 et 170 de la *Loi sur les valeurs mobilières* du Québec. De plus, la CDS est réputée être la chambre de compensation pour le CDSX^{MD}, système de compensation et de règlement désigné par la Banque du Canada en vertu de l'article 4 de la *Loi sur la compensation et le règlement des paiements*. La CVMO, l'AMF et la Banque du Canada seront ci-après collectivement désignées par l'expression « autorités de reconnaissance ».

Les modifications apportées aux Procédés et méthodes de l'adhérent pourraient entrer en vigueur dès l'obtention de l'approbation des modifications par les autorités de reconnaissance à la suite de la publication de l'avis et de la sollicitation de commentaires auprès du public.

**Avis et sollicitation de commentaires – Modifications importantes aux Procédés et méthodes de la CDS
concernant le changement à la période récente pour l'attribution des pertes FINet**

E. INCIDENCE DES MODIFICATIONS PROPOSÉES SUR LES SYSTÈMES

E.1 CDS

La période récente pour l'attribution des pertes FINet est un paramètre au CDSX. Ce changement n'exige aucune modification du code de système.

E.2 Adhérents de la CDS

Aucun changement n'est requis.

E.3 Autres intervenants du marché

Aucun changement n'est requis.

F. COMPARAISON AVEC LES AUTRES AGENCES DE COMPENSATION

Aucun autre renseignement provenant d'autres dépositaires centraux de titres n'est disponible pour réaliser une analyse semblable. La formule d'attribution des pertes utilisée par FINet est unique et est adaptée aux exigences des adhérents de la CDS. La formule d'attribution des pertes que les autres contreparties centrales utilisent typiquement est établie sur une évaluation des exigences en matière de risque et de garantie des adhérents obligés.

G. ÉVALUATION DE L'INTÉRÊT GÉNÉRAL

La CDS a déterminé que les modifications proposées ne sont pas contraires à l'intérêt général.

H. COMMENTAIRES

Veillez faire parvenir vos commentaires écrits à l'égard des modifications proposées dans les 30 jours civils suivant la date de publication du présent avis dans le Bulletin de l'Autorité des marchés financiers, aux coordonnées suivantes :

David Stanton
 Chef de la Gestion des risques
 Services de dépôt et de compensation CDS inc.
 85, rue Richmond Ouest
 Toronto (Ontario) M5H 2C9
 Téléphone : 416 365-8489
 Courriel : dstanton@cds.ca

Veillez également faire parvenir un exemplaire de ces commentaires à l'Autorité des marchés financiers et à la Commission des valeurs mobilières de l'Ontario, aux personnes indiquées ci-après :

M^e Anne-Marie Beaudoin
 Secrétaire de l'Autorité
 Autorité des marchés financiers
 800, square Victoria, 22^e étage
 C.P. 246, tour de la Bourse
 Montréal (Québec) H4Z 1G3

Directrice, Réglementation du marché
 Division des marchés des capitaux
 Commission des valeurs mobilières de l'Ontario
 Bureau 1903, C.P. 55,
 20, rue Queen Ouest
 Toronto (Ontario) M5H 3S8

Télécopieur : 514 864-6381
 Courriel : consultation-en-cours@lautorite.qc.ca

Télécopieur : 416-595-8940
 Courriel : marketregulation@osc.gov.on.ca

**Avis et sollicitation de commentaires – Modifications importantes aux Procédés et méthodes de la CDS
concernant le changement à la période récente pour l'attribution des pertes FINet**

La CDS mettra à la disposition du public, sur demande, des exemplaires des commentaires reçus au cours de la période de sollicitation de commentaires.

I. MODIFICATIONS PROPOSÉES AUX PROCÉDÉS ET MÉTHODES DE LA CDS

Les modifications proposées aux Procédés et méthodes peuvent être consultées et téléchargées à partir de la page Web [Documentation](#) de la CDS.

CHAPITRE 18 FONDS DES ADHÉRENTS FINET
Livraison et réception de paiements de l'évaluation au marché

18.6 Livraison et réception de paiements de l'évaluation au marché

FINet calcule et affiche le paiement de l'évaluation au marché de l'adhérent dans le rapport FINET – RAPPORT SOMMAIRE SUR LA COTE. Ce rapport est généré deux fois par jour ouvrable (le jour même et en fin de journée) et présente le montant que l'adhérent doit verser à la CDS ou recevoir de celle-ci. Ce montant est affiché dans le rapport FINET – RAPPORT SOMMAIRE SUR LA COTE.

Les obligations de paiement de l'évaluation au marché FINet sont débitées ou créditées et reçues par ou de la CDS au moyen des saisies effectuées par la CDS dans le compte de fonds de chaque adhérent. Ces obligations sont ensuite réglées lors du processus de paiement. Les adhérents FINet demeurent responsables de leur obligation de paiement de l'évaluation au marché FINet jusqu'au moment auquel le paiement est réellement reçu par la CDS.

18.7 Attribution des pertes résiduelles concernant le fonds des adhérents FINet

Advenant une défaillance d'un adhérent FINet et que la valeur réalisée de sa garantie pour couvrir les pertes résultantes est insuffisante, la perte résiduelle est attribuée aux adhérents FINet obligés en fonction des activités boursières de chaque obligé avec l'adhérent défaillant.

Afin de calculer la part de la perte résiduelle de chaque obligé :

- La CDS examine les opérations initiales entre l'adhérent défaillant et les obligés, opérations dont l'établissement du solde net a été effectué dans FINet au cours de la période récente.

La période récente correspond à au plus 30 jours civils avant le jour de la défaillance nécessaires à l'accumulation de la valeur en dollars des opérations initiales ayant cinq fois la valeur en dollars des opérations sur valeurs à livrer et à recevoir nettes prévues de l'adhérent défaillant qui ont été remplacées par la CDS au cours du processus de liquidation.

Si cinq fois les positions en cours n'ont pas pu être atteintes en 30 jours civils, la valeur en dollars disponible des opérations initiales cumulées est utilisée pour calculer le pourcentage de la perte.

- Si aucune opération initiale n'a été effectuée au cours de la période récente, les pertes résiduelles sont attribuées en fonction de la quote-part des cotisations des adhérents obligés actifs à l'ensemble du fonds des adhérents.

Le calcul de la quote-part des pertes résiduelles (P) pour FINet de chaque obligé se fait comme suit :

$$P = \frac{\text{la valeur en \$ des opérations initiales de l'obligé avec l'adhérent défaillant au cours de la période récente}}{\text{la valeur totale en \$ de l'ensemble des opérations initiales de l'obligé avec l'adhérent défaillant au cours de la période récente}}$$

CHAPITRE 18 FONDS DES ADHÉRENTS FINET
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Les obligations de paiement de l'évaluation au marché FINet sont débitées ou créditées et reçues par ou de la CDS au moyen des saisies effectuées par la CDS dans le compte de fonds de chaque adhérent. Ces obligations sont ensuite réglées lors du processus de paiement. Les adhérents FINet demeurent responsables de leur obligation de paiement de l'évaluation au marché FINet jusqu'au moment auquel le paiement est réellement reçu par la CDS.

18.7 Attribution des pertes résiduelles concernant le fonds des adhérents FINet

Advenant une défaillance d'un adhérent FINet et que la valeur réalisée de sa garantie pour couvrir les pertes résultantes est insuffisante, la perte résiduelle est attribuée aux adhérents FINet obligés en fonction des activités boursières de chaque obligé avec l'adhérent défaillant.

Afin de calculer la part de la perte résiduelle de chaque obligé :

1. La CDS examine les opérations initiales entre l'adhérent défaillant et les obligés, opérations dont l'établissement du solde net a été effectué dans FINet au cours de la période récente.

La période récente correspond à au plus 30 jours civils avant le jour de la défaillance nécessaires à l'accumulation de la valeur en dollars des opérations initiales ayant cinq fois la valeur en dollars des opérations sur valeurs à livrer et à recevoir nettes prévues de l'adhérent défaillant qui ont été remplacées par la CDS au cours du processus de liquidation.

Si cinq fois les positions en cours n'ont pas pu être atteintes en 30 jours civils, la valeur en dollars disponible des opérations initiales cumulées est utilisée pour calculer le pourcentage de la perte.

2. Si aucune opération initiale n'a été effectuée au cours de la période récente, les pertes résiduelles sont attribuées en fonction de la quote-part des cotisations des adhérents obligés actifs à l'ensemble du fonds des adhérents.

Le calcul de la quote-part des pertes résiduelles (P) pour FINet de chaque obligé se fait comme suit :

$$P = \frac{\text{la valeur en \$ des opérations initiales de l'obligé avec l'adhérent défaillant au cours de la période récente}}{\text{la valeur totale en \$ de l'ensemble des opérations initiales de l'obligé avec l'adhérent défaillant au cours de la période récente}}$$

ALPHA EXCHANGE INC.**AVIS DE PROJET DE MODIFICATION DES POLITIQUES DE NÉGOCIATION ET DE
LA CONVENTION D'ADHÉSION EN MATIÈRE DE TENUE DE MARCHÉ
D'ALPHA EXCHANGE INC.****Contexte:**

Alpha Trading Systems Limited Partnership (« Alpha LP ») et Alpha Exchange Inc. (la « Bourse Alpha ») (collectivement, « Alpha Group ») ont déposé une demande pour faire en sorte que la Bourse Alpha soit reconnue en tant que « bourse ». La demande a été publiée le 4 avril 2011 par la Commission des valeurs mobilières de l'Ontario (la « CVMO »), à titre d'autorité responsable, et en français, par l'Autorité des marchés financiers, l'autorité chargée de la coordination au nom des autorités de dispense.

Depuis la soumission et la publication de cette demande initiale, la Bourse Alpha a modifié la proposition de teneur de marché contenue dans les documents publiés le 4 avril 2011 et publie les modifications pour commentaires.

Le présent avis énonce les points suivants : 1) les objectifs d'un programme de teneur de marché en général, et plus particulièrement en ce qui a trait aux titres inscrits ou négociés à la Bourse Alpha; 2) une description du programme de teneur de marché de la Bourse Alpha, y compris les obligations et la rémunération; et 3) une description des modifications apportées aux politiques de négociation et à la convention d'adhésion de la Bourse Alpha (publiées en partie avec le présent avis)¹. Un appendice joint au présent avis donne un sommaire général de niveau supérieur de la structure de teneur de marché d'autres bourses. Il est uniquement fourni à des fins contextuelles. Les règlements et les documents de la bourse spécifique doivent être consultés pour obtenir des données plus spécifiques.

Objectifs du programme de teneur de marché de la Bourse Alpha:

En général, un programme de teneur de marché (« PTM ») efficace vise à assurer ou à améliorer la liquidité et la qualité du marché. Le PTM de la Bourse Alpha vise à : 1) maintenir la liquidité et la qualité du marché des titres inscrits et négociés à la Bourse Alpha grâce à l'obligation de fournir les cours et de respecter certaines exigences en matière de capacité d'absorption du marché; 2) rehausser l'intégrité du

¹ Les définitions et la Partie VI des Politiques de négociation sont en voie de publication, tout comme les annexes 2 à 4 de la convention d'adhésion.

marché en amenant le teneur de marché à agir comme un contrôleur de l'accès du fait de la surveillance étroite qu'il exerce sur les opérations de négociation; et 3) créer un marché bien organisé pour les émetteurs ad hoc² qui requièrent que les teneurs de marché proposent des unités et échangent des titres sous-jacents.

Voici une description du PTM de la Bourse Alpha.

Description du PTM de la Bourse Alpha - Structure et attributions³:

1) Le PTM s'applique à la fois aux titres inscrits à la Bourse Alpha⁴ et aux autres titres négociés

Le PTM s'applique aux titres inscrits et négociés à la Bourse Alpha (les « titres inscrits à la Bourse Alpha ») et aux titres qui sont négociés mais non inscrits à la Bourse Alpha (les « autres titres négociés ») (les titres actuellement inscrits à la Bourse de Toronto et à la Bourse de croissance TSX). Le PTM compte deux catégories de teneurs de marché : le teneur de marché principal (« TMP ») et le teneur de marché (« TM »); leurs rôles respectifs sont décrits dans les sections suivantes.

2) Le PTM pour les titres inscrits à la Bourse Alpha – Attributions aux TMP et TM

Chaque titre inscrit à la Bourse Alpha sera attribué à un TMP et pourra également être attribué à un TM ou plus. Cependant, seul un TMP sera affecté aux émetteurs ad hoc. Le TMP, le principal teneur de marché, a plus d'obligations (critères de rendement) et d'avantages. Il agit également comme négociateur en lots irréguliers.

Au moment où il procède à l'inscription initiale d'un titre à la Bourse Alpha, l'émetteur inscrit à la Bourse Alpha nomme le TMP, qui doit être approuvé par la Bourse Alpha. Le mandat initial d'un TMP est de trois ans. La Bourse Alpha peut remplacer le TMP si le TMP nommé par l'émetteur ne répond pas régulièrement à ses critères de rendement en matière de tenue de marché.

Les TM, un deuxième niveau de teneurs de marché, ont moins d'obligations et d'avantages. Ils sont nommés par la Bourse Alpha. La Bourse Alpha tiendra à jour une liste de membres s'étant montrés intéressés à agir comme teneurs de marché pour des titres inscrits à la Bourse Alpha. La Bourse Alpha peut, à son gré, affecter un TM ou plus à des titres inscrits à la Bourse Alpha. Toutes les attributions tiendront compte du

² Aux fins du présent avis, les émetteurs ad hoc engloberont les deux catégories décrites dans le guide de la Bourse Alpha.

³ Le présent document décrit la structure et la nature des avantages et des obligations. Les chiffres réels n'ont pas été inclus; toutefois, ils seront subordonnés à un examen des autorités de réglementation et à une approbation, comme toute autre proposition de frais.

⁴ Sauf indication contraire, tous les termes en majuscules auront le sens précisé dans les politiques de négociation ou les documents d'admission en bourse de la Bourse Alpha.

nombre de titres inscrits à la Bourse Alpha qu'un TM est prêt à prendre en charge. Le mandat initial d'un TM de titres inscrits à la Bourse Alpha est d'un an.

3) Programme de teneur de marché pour les autres titres négociés – Attributions aux TM

Chacun des autres titres négociés sera attribué à un TM, qui agira comme le négociateur en lots irréguliers. La Bourse Alpha tiendra à jour une liste de membres s'étant montrés intéressés à agir comme teneurs de marché pour les autres titres négociés. La Bourse Alpha affectera un TM aux autres titres négociés en tenant compte du nombre d'autres titres négociés qu'un TM est prêt à prendre en charge. Le mandat initial d'un TM affecté à d'autres titres négociés est d'un an.

Critère de rendement et structure de rémunération des teneurs de marché:

1) Teneurs de marché principaux de titres inscrits à la Bourse Alpha :

a. *Critères de rendement s'appliquant à un TMP en ce qui a trait à un titre inscrit à la Bourse Alpha – standard et négociés :*

Un TMP doit satisfaire à certains critères de rendement durant une séance de négociation continue afin de bénéficier des avantages prévus. La Bourse Alpha établira des critères de rendement standard pour l'ensemble des titres inscrits à la Bourse Alpha en tenant compte de différents niveaux de liquidité (les « exigences standard »). Les exigences standard incluront les éléments suivants : i) le nombre minimum spécifié (le « nombre minimum de titres soumis à l'affichage obligatoire des cours ») devant être maintenu par le TMP et le TM pendant un pourcentage de temps précis au cours de la séance de négociation (l'« exigence relative à la présence »); et ii) la différence permise spécifiée entre les cours acheteur et vendeur affichés par la Bourse Alpha (l'« écart maximal ») devant être maintenue par le TMP ou le TM conformément à l'exigence relative à la présence.

Les exigences standard applicables à la séance de négociation continue pour les titres inscrits à la Bourse Alpha peuvent être révisées sur une base annuelle.

Chaque émetteur inscrit à la Bourse Alpha peut négocier avec son TMP en vue d'améliorer l'écart maximal et le nombre minimum de titres soumis à l'affichage obligatoire des cours par rapport à ceux prévus dans les exigences standard.

Enchères d'ouverture : si le TMP obtient le pourcentage de volume spécifié aux enchères d'ouverture de son titre inscrit à la Bourse Alpha (les « critères relatifs aux enchères d'ouverture ») et que la séance d'ouverture n'est pas retardée, il aura droit à des avantages supplémentaires.

b. Avantages reçus par un TMP liés à un titre inscrit à la Bourse Alpha :

Si un TMP satisfait aux exigences standard ou à ses critères de rendement négociés relatifs à l'écart maximal et au nombre minimum de titres soumis à l'affichage obligatoire des cours, le cas échéant, pour la séance de négociation continue durant un mois, il sera alors admissible aux avantages suivants :

- i) le TMP recevra une remise préférentielle sur les opérations passives visant les titres qui lui ont été attribués, y compris les opérations résultant de l'exécution automatique d'ordres portant sur des lots irréguliers;
- ii) un TMP d'un émetteur ad hoc recevra de plus une remise préférentielle sur les opérations actives portant sur un certain nombre de ses titres les plus activement négociés (le nombre de titres dépend du nombre de titres d'émetteurs ad hoc attribués au TMP);
- iii) le TMP touchera, sur une base mensuelle, un pourcentage du revenu dégagé sur les opérations de la Bourse Alpha pour le titre inscrit à la Bourse Alpha qui lui a été attribué au cours des 3 premières années suivant l'inscription du titre en question (le pourcentage de répartition de revenus diminue annuellement).

Les avantages reçus liés à l'atteinte des critères de rendement durant une séance de négociation continue énoncés plus haut, autres que ceux liés aux ordres portant sur des lots irréguliers, sont acquis au cours d'un mois, mais s'appliqueront aux opérations du mois suivant. Les avantages accordés pour les opérations sur lots irréguliers s'appliqueront aux opérations durant le mois au cours duquel les opérations ont lieu.

Si le TMP se conforme aux critères relatifs aux enchères d'ouverture, il recevra une remise pour les opérations effectuées durant les enchères d'ouverture portant sur les titres qui lui ont été attribués. Les montants acquis seront calculés quotidiennement.

La Bourse Alpha fournira au TMP des rapports mensuels (ou plus fréquemment, à la discrétion de la Bourse Alpha) portant sur l'atteinte par celui-ci des critères de rendement et l'application d'avantages.

2) Teneurs de marché de titres inscrits à la Bourse Alpha :

a. Critères de rendement s'appliquant à un TM en ce qui a trait à un titre inscrit à la Bourse Alpha :

Si le TM satisfait aux exigences standard, il recevra un avantage.

b. Avantages reçus par un TM liés à un titre inscrit à la Bourse Alpha :

Si un TM satisfait aux exigences standard, il aura le droit de recevoir une remise préférentielle sur les opérations passives visant les titres qui lui ont été attribués et effectuées durant la séance de négociation continue.⁵ Les avantages relatifs aux remises sont acquis au cours d'un mois mais s'appliqueront aux opérations du mois suivant.

La Bourse Alpha fournira au TM des rapports mensuels (ou plus fréquemment, à la discrétion de la Bourse Alpha) portant sur l'atteinte par celui-ci des critères de rendement et l'obtention d'avantages.

3) Teneurs de marché pour d'autres titres négociés :

a. Critères de rendement s'appliquant à un TM en ce qui a trait à un autre titre négocié :

Si le TM négocie passivement le pourcentage spécifié du volume échangé durant la séance de négociation continue à la Bourse Alpha par rapport au volume total négocié sur l'ensemble des marchés transparents (les « critères de négociation continue relatifs aux autres titres négociés ») pour les autres titres négociés qui lui ont été attribués, il aura alors droit à un avantage.

Enchères d'ouverture : si le TM atteint un pourcentage quotidien spécifié du volume négocié durant les enchères d'ouverture, si l'ouverture n'est pas retardée et si le prix d'ouverture ne dépasse pas les paramètres définis pour les cours d'ouverture inscrits à la cote (les « critères d'enchères d'ouverture relatifs aux autres titres négociés »), il aura alors avoir le droit de recevoir des avantages.

b. Avantages reçus par un TM en ce qui a trait à un autre titre négocié :

Si un TM satisfait aux critères de négociation continue relatifs aux autres titres négociés, il recevra alors des crédits en fonction du nombre de titres négociés. Les crédits s'appliqueront à une réserve commune en dollars définie selon une formule. Les crédits seront acquis au cours d'un mois.

Si le TM se conforme aux critères d'enchères d'ouverture relatifs aux autres titres négociés, il recevra une remise pour les opérations effectuées durant les enchères

⁵ Le TM pour les titres inscrits à la Bourse Alpha correspond à un deuxième niveau de teneur de marché, et par conséquent, il ne sera pas admissible aux avantages liés aux enchères d'ouverture ni à la répartition de revenus.

d'ouverture portant sur les titres qui lui ont été attribués. Les montants acquis seront calculés quotidiennement.

Le TM recevra également une remise préférentielle sur les opérations actives visant les titres qui lui ont été attribués pour chaque exécution automatique d'un ordre portant sur des lots irréguliers faite en son nom.

La Bourse Alpha fournira au TM des rapports mensuels (ou plus fréquemment, à la discrétion de la Bourse Alpha) portant sur l'atteinte par celui-ci des critères de rendement et l'obtention d'avantages.

Description des modifications visant la documentation:

La description du TM de la Bourse Alpha est comprise dans les révisions de la Partie VI des Politiques de négociation de la Bourse Alpha et des annexes 2, 3 et 4 de la convention d'adhésion qui sont publiées en même temps que le présent avis.

Les Politiques de négociation de la Bourse Alpha ont été révisées de manière à y inclure le concept d'un TMP et d'un TM pour les titres inscrits à la Bourse Alpha et d'un TM pour les autres titres négociés (auparavant, les politiques ne faisaient qu'envisager un rôle de TM et de négociateur en lots irréguliers). Le rôle du négociateur en lots irréguliers et les rôles de teneur de marché ont été combinés, comme il a été décrit plus haut. La Partie VI des Politiques de négociation de la Bourse Alpha met en œuvre le concept du TMP pour les titres inscrits à la Bourse Alpha et du TMP pour les autres titres négociés.

La convention d'adhésion a été modifiée de façon à refléter la nouvelle structure décrite dans le présent avis. L'ancienne convention de négociateur en lots irréguliers a été supprimée et l'ancienne convention de teneur de marché a été remplacée par les trois conventions suivantes (toutes basées sur les conventions de négociateur en lots irréguliers et de teneur de marché publiées antérieurement) :

- i) new LMM Agreement for Alpha Listed Securities (Schedule 2) (nouvelle convention de TMP pour les titres inscrits à la Bourse Alpha (annexe 2));
- ii) MM Agreement for Alpha Listed Securities (Schedule 3) (convention de TM pour les titres inscrits à la Bourse Alpha (annexe 3));
- iii) MM Agreement in respect of Other Traded Securities (Schedule 4) (convention de TM pour les autres titres négociés (annexe 4)).

Renseignements:

Veillez adresser toute question relative à ces modifications à Randee Pavalow, chef des opérations et des matières de réglementation, Alpha Exchange Inc. : randee.pavalow@alpha-group.ca, 647-259-0420.

Annexe A¹

Sommaire des systèmes de teneurs de marché au sein de bourses choisies

NASDAQ

Au moment de l'inscription initiale à la cote, le titre doit être attribué à au moins 3 ou 4 teneurs de marché. Les teneurs de marché présentent une demande aux fins d'approbation au NASDAQ. Par la suite, pour conserver l'inscription à la cote, 2 ou 4 teneurs de marché doivent être en place.²

Les teneurs de marché sont tenus de fournir chacun des cours acheteur et vendeur pour au moins un lot régulier. Le cours des positions acheteur et vendeur ne doit pas dépasser d'un pourcentage défini le cours de la meilleure demande et meilleure offre nationale en vigueur, ou le cas échéant, ne doit pas dépasser d'un pourcentage défini le montant de la dernière vente déclarée.

Après avoir exécuté l'opération dans les deux sens, un teneur de marché doit s'assurer que des positions de négociation additionnelles existent afin d'honorer l'obligation de maintenir un marché bilatéral. Pour ce faire, il peut soit entrer immédiatement de nouvelles positions et ainsi respecter l'obligation de maintenir des cotations bilatérales continues ou repérer les positions existantes dans le registre des ordres de la Bourse qui lui permettront de satisfaire à cette obligation.³

En outre, le NASDAQ récompense les teneurs de marché qui fournissent de la liquidité pendant une période précise au cours de la meilleure demande et meilleure offre nationale. Les titres sont répartis selon deux catégories en fonction du volume quotidien moyen : i) Titres dont le volume quotidien moyen est inférieur à 1 million d'opérations; et les ii) titres dont le volume moyen quotidien est supérieur à 1 million d'opérations. Dans le cas de titres de catégorie i), l'ordre affiché doit être dans la fourchette des cours de la meilleure demande et meilleure offre nationale au moins 15 % du temps. Dans le cas de titres de catégorie ii), l'ordre affiché doit être dans la fourchette des cours de la meilleure demande et meilleure offre nationale au moins 10 % du temps. Les sociétés chargées de la tenue de marché qui répondent à ces critères de rendement se voient offrir des occasions de marketing ciblant les chefs de la direction, les chefs des services financiers et les directeurs, Relations avec les investisseurs des sociétés inscrites à la cote du NASDAQ.⁴

NYSE Arca⁵

¹ La présente annexe a été rédigée avec la meilleure volonté dans le but de fournir un aperçu général de haut niveau des systèmes de teneurs de marché de bourses données.

² Normes et droits d'inscription à la cote du NASDAQ Le nombre de teneurs de marché dépendra du segment dans lequel le titre est inscrit (Nasdaq Global Select Market, Global Market ou Capital Market) et de la conformité de l'émetteur à la norme relative aux revenus ou à la norme relative aux titres par rapport aux autres normes d'inscription.

³ Manuel de négociation du NASDAQ.

⁴ www.nasdaqtrader.com/Trader.aspx?id=select_market_maker.

⁵ Site Web de la NYSE Arca www.nyse.com, Document de la NYSE Arca sur les teneurs de marché principaux http://testwww.nyse.com/pdfs/LMM_Product_Brief_Updated.pdf, et règles de la NYSE Arca.

NYSE Arca a créé le rôle de teneur de marché principal (« Lead Market Maker » ou LMM) pour les fonds négociés en bourse (FNB) qui ont une inscription principale à la cote de la NYSE Arca. Les maisons de courtage de valeurs qui souhaitent participer au programme doivent s'inscrire comme teneurs de marché auprès de la NYSE Arca et répondre aux critères de sélection propres aux teneurs de marché principaux. La NYSE Arca a aussi en place un programme de teneurs de marché qui s'adresse à d'autres types d'émetteurs. La sélection des teneurs de marché et des teneurs de marché principaux est effectuée par la Bourse en fonction, notamment, des éléments suivants : préférence en matière d'émetteur; expérience dans la tenue de marché; fonds propres suffisants; volonté à promouvoir la bourse comme marché; capacité opérationnelle; personnel de soutien; et antécédents concernant le respect des règles boursières et des lois sur les valeurs mobilières. La Bourse peut nommer plusieurs teneurs de marché et un seul teneur de marché principal par titre. Pour être admis en qualité de teneur de marché principal, un demandeur doit être inscrit comme négociateur en lots irréguliers pour lequel il est désigné teneur de marché principal.

Les teneurs de marché doivent respecter des normes minimales de rendement, comme déterminées par la Bourse, selon les besoins. Les niveaux à atteindre varieront en fonction du cours, de la liquidité et de la volatilité du titre pour lequel le teneur de marché est inscrit. Voici les mesures de rendement utilisées : (i) pourcentage de temps au cours de la meilleure demande et meilleure offre nationale; (ii) pourcentage des opérations exécutées à un cours supérieur à celui de la meilleure demande et meilleure offre nationale; (iii) volume moyen affiché; (iv) écart moyen de cotation; et (v) si le titre est un produit dérivé, la capacité du teneur de marché désigné à négocier sur les marchés sous-jacents.

Les teneurs de marché principaux doivent satisfaire à des normes de rendement plus élevées à l'égard des titres pour lesquels ils sont inscrits.

Le teneur de marché principal doit être présent aux enchères d'ouverture afin d'aider à contrebalancer tout déséquilibre d'achat ou de vente.

S'il répond aux obligations qui lui incombent, le teneur de marché obtiendra un rabais plus élevé sur les frais passifs selon l'ampleur de la liquidité fournie durant un mois donné. Les teneurs de marché principaux recevront un barème de droits de négociation supérieur pour les titres qui leur sont attribués.

Deutsche Börse⁶

Les teneurs de marché, appelés responsables désignés (« designated sponsors » ou DS) signent un contrat avec la Deutsche Börse et s'engagent à respecter les exigences minimales établies par la Bourse de Francfort. Toutes les banques, firmes de courtage et sociétés de commerce des valeurs mobilières autorisées à négocier sur Xetra peuvent être admises. La Deutsche Börse peut annuler le contrat d'admission d'un responsable désigné s'il ne remplit pas ses fonctions de négociation.

⁶ Document du Deutsche Börse Group relatif au marché Xetra intitulé « Designated Sponsor Guide ». <http://deutsche-boerse.com>

Un responsable désigné doit satisfaire aux exigences minimales propres à un marché en continu, dont une quantité minimale d'actions ou d'unités, un écart acheteur-vendeur maximal et un délai moyen de cotation. Dans le cas d'un marché aux enchères d'ouverture, un responsable désigné doit avoir un taux de participation minimal à l'égard du titre durant la séance d'enchères d'ouverture. Lorsqu'il est question de fonds négociés en bourse (FNB), de marchandises négociées en bourse et de billets négociés en bourse, l'émetteur précise la quantité minimale d'actions ou d'unités et l'écart maximal entre cours acheteurs et cours vendeurs que le teneur de marché devra respecter. Pour ce qui est des autres produits, la Bourse détermine les critères de rendement du teneur de marché en fonction des niveaux de liquidité.

La Deutsche Börse vérifie tous les jours si les teneurs de marché satisfont aux exigences minimales. Les frais liés aux opérations générées par les activités du responsable désigné sont remboursés pour chaque instrument, à condition que les exigences de rendement soient entièrement respectées dans un mois donné. Si les exigences minimales ne sont pas respectées de façon constante, la Bourse se réserve le droit d'annuler l'admission du teneur de marché comme responsable désigné de l'instrument.

La transparence au sujet du rendement d'un responsable désigné prévaut grâce à la publication d'une notation trimestrielle. La notation se veut un indicateur de la qualité des responsables désignés qui précise le délai moyen de cotation, l'écart moyen et le volume d'opérations des divers responsables désignés. La notation est attribuée en fonction des normes d'évaluation mentionnées ci-dessus et est exprimée par une combinaison de lettres allant de « A » à « D ».

Le système de responsables désignés favorise la transparence et attire de nouveaux investisseurs, grâce, notamment, à la compilation de rapports de recherche, la préparation de présentations par des analystes et de relations actives auprès des investisseurs.

Les instruments peuvent être appuyés par plusieurs responsables désignés et un responsable désigné peut soutenir plus d'un instrument à la fois. Le soutien d'un responsable désigné détermine si les instruments sont négociés sur le marché en continu ou aux enchères. Lorsqu'un titre figure dans la catégorie « à négocier dans un seul marché d'enchères », le fait qu'un responsable désigné lui soit associé entraîne le transfert du titre sur le marché en continu.

Bourse de Stuttgart (Euwax)⁷

Euwax est le segment de marché dans lequel les produits structurés inscrits sont négociés. L'émetteur fait office de teneur de marché pour ces titres, mais il peut également désigner un tiers comme teneur de marché. De plus, un fournisseur de liquidités de qualité (« quality-liquidity-provider » ou QLP) est attribué à chaque titre négocié. Il incombe d'une part au fournisseur de liquidités de qualité de vérifier les cours transmis par les teneurs de marché et d'autre part d'augmenter la liquidité des titres négociés. Le montant que le fournisseur de liquidités de qualité peut ajouter à la liquidité dépend du modèle de négociation choisi par l'émetteur pour ses produits structurés. L'émetteur peut utiliser l'un des trois modèles de négociation suivants :

⁷ www.boerse-stuttgart.de/en/.

- 1) En vertu du modèle de négociation A, le fournisseur de liquidités de qualité est libre de choisir le type de liquidité. La liquidité du fournisseur de liquidités de qualité et celle du teneur de marché sont traitées selon le même niveau de priorité dans ce type de négociation. La source de liquidité (fournisseur de liquidités de qualité, teneurs de marché ou les deux) est à la discrétion du fournisseur de liquidités de qualité, et déterminée au cas par cas.
- 2) En vertu du modèle de négociation B, la liquidité du teneur de marché a préséance sur celle du fournisseur de liquidités de qualité et doit être utilisée en premier par le fournisseur de liquidités de qualité. Le fournisseur de liquidités de qualité rendra seulement sa propre liquidité disponible si le teneur de marché ne répond pas à une demande électronique dans les cinq secondes ou offre moins que le volume requis.
- 3) En vertu du modèle de négociation C, le fournisseur de liquidités de qualité n'est pas autorisé à fournir lui-même de la liquidité à moins que celle-ci (qui peut être offerte par le fournisseur de liquidités de qualité uniquement à l'intérieur des cours du teneur de marché) serve à empêcher des exécutions partielles au cours transmis par le teneur de marché ou à faciliter des exécutions partielles rentables.

Les modèles de négociation B et C ne sont pas accessibles à l'ensemble des teneurs de marché, car ces derniers doivent montrer qu'ils ont un lien de cotation direct avec un fournisseur de liquidités de qualité.

Les teneurs de marché sont tenus de fournir durant les heures de négociation, ou selon les demandes d'un fournisseur de liquidités de qualité, des cotations en continu (cours acheteur et cours vendeur) pour les produits dont ils ont la responsabilité, en fonction d'un volume minimal établi. Les cotations des teneurs de marché sont traitées par le fournisseur de liquidités de qualité avant d'être transmises au système de négociation électronique, qui en tient compte pour déterminer le cours. Un émetteur doit préciser un écart maximal pour chacun des titres avant leur ajout au segment Euwax. La quantité minimale d'actions ou d'unités est précisée par la Bourse.

TSX⁸

La Bourse annonce l'imminence d'une attribution de titres puis recueille les offres de service des participants intéressés dans le cadre d'un appel d'offres. La Bourse prend sa décision après avoir examiné l'offre ou les offres de service.

La fixation initiale d'un écart cible fait l'objet de négociations entre le teneur de marché et la Bourse. Toute autre modification de l'écart fait également l'objet de négociations.

Les sociétés chargées de la tenue de marché doivent maintenir un ratio minimal entre le nombre de titres de niveau B (liquidité moindre) et le nombre de titres de niveau A (forte liquidité) qui leur sont attribués. Le ratio est rajusté périodiquement en fonction du rapport entre le nombre total de titres de niveau A et le nombre total de titres de niveau B négociés à la Bourse. Les sociétés chargées de la tenue

⁸ www.tmx.com et les Règles de la Bourse de Toronto.

de marché ne sont pas autorisées à avoir sous leur responsabilité un nombre de titres supérieur à un pourcentage précis d'un niveau donné, sauf autorisation de la Bourse.

Les teneurs de marché de la Bourse de Toronto doivent notamment : contribuer à la liquidité et à la profondeur du marché, et modérer la volatilité des cours; maintenir un marché bilatéral continu, conforme à l'objectif de fourchette des cours du titre convenu avec la Bourse, en fonction d'une moyenne pondérée par un coefficient temps; garantir l'exécution d'ordres sur lots irréguliers et lots mixtes aux cours alors cotés des lots réguliers; maintenir la quantité minimale garantie convenue avec la Bourse; garantir l'exécution automatique et immédiate « à prix uniforme » des ordres divulgués qui sont admissibles au régime de la quantité minimale garantie (QMG); se charger d'organiser l'ouverture de la négociation des titres placés sous leur responsabilité, conformément aux exigences de la Bourse et, au besoin, ouvrir la négociation.

La Bourse contrôle les écarts en permanence et apprécie chaque mois le rendement des teneurs de marché.

De 70 % à 80 % au moins des transactions effectuées par les teneurs de marché sur les titres placés sous leur responsabilité doivent être des transactions stabilisatrices ou neutres (de manière générale, cela correspond à acheter lorsqu'il y a des vendeurs et à vendre lorsqu'il y a des acheteurs, par exemple au moment d'exécuter un ordre QMG). Le rendement des teneurs de marché dans ce secteur est mesuré périodiquement par la Bourse et déclaré. Si, compte tenu du nombre de transactions, du volume d'actions, de la valeur monétaire des transactions ou de toute combinaison de ces facteurs, 30 % ou plus des transactions effectuées par un teneur de marché sur les titres placés sous sa responsabilité sont des transactions déstabilisatrices, son rendement sera jugé insatisfaisant.

Un seul teneur de marché est désigné par titre. Les teneurs de marché qui atteignent le rendement attendu bénéficient de frais passifs préférentiels qui correspondent aux frais actifs.

**PARTS I AND VI OF
ALPHA EXCHANGE INC.
TRADING POLICIES**

PART I. Definitions and Interpretations

1.1. Definitions

- (1) Unless otherwise defined or interpreted or the subject matter or context otherwise requires, every term used in Alpha Requirements that is defined or interpreted in
- (a) Ontario securities law,
 - (b) UMIR, or
 - (c) IIROC Rules,
- has the same meaning in these Trading Policies.
- (2) The following terms have the meanings set out when used in the Alpha Requirements and apply to the trading of both Alpha Listed Securities and Other Traded Securities unless otherwise specified:

Alpha	The recognized exchange which provides a marketplace for Alpha Listed Securities and Other Traded Securities on Alpha.
Alpha Approval	Any approval given by Alpha under the Alpha Requirements.
Alpha Best Bid and Offer (ABBO)	In respect of a particular security, the best bid, the highest price and its corresponding volume that a Member has published to buy, and the best offer, the lowest price and its corresponding volume that a Member has published to sell, in the Alpha CLOB.
Alpha Closing Price or (ACP)	The CCP for an Alpha Listed Security unless it exceeds parameters established by Alpha. The Alpha Closing Price for Other Traded Securities will be adjusted overnight to reflect the closing price on the principal market as established in UMIR.
Alpha Last Sale Price (ALSP)	The price at which the last trade of a Board Lot was executed on Alpha, other than a Special Terms trade.
Alpha Listed Security	Securities listed by and traded on Alpha.
Alpha Requirements	Alpha Requirements include the following: <ul style="list-style-type: none"> 1. These Trading Policies; 2. The Alpha Exchange Listing Handbook; 3. Obligations arising out of the Member Agreement or any Listing Forms; 4. Any forms issued pursuant to these Trading

Policies or the Alpha Exchange Listing Handbook;

5. UMIR; and
6. Ontario securities law, and any decision thereunder as it may be amended, supplemented and in effect from time to time.

Alpha Systems	The electronic systems operated by Alpha for providing all facilities and services related to the trading of Alpha Listed Securities and Other Traded Securities on Alpha.
Approved Trader	An employee of a Member who has been approved as a Trader trader , or an employee of a client of a Sponsoring Member who has been approved as a Trader trader .
Assigned Security	The particular Alpha Listed Security or Other Traded Security for which a Member has been appointed either <u>as</u> the <u>Lead</u> Market Maker or <u>Market Maker and</u> the Odd Lot Dealer.
Board	The Board of Directors of Alpha and any committee of the Board of Directors to which powers have been delegated.
Board Lot	A standard trading unit.
Bypass Cross	A cross that has a bypass marker.
Bypass Order	An order that has a bypass marker to indicate that it is: <ol style="list-style-type: none"> (a) part of a designated trade; or (b) to satisfy an obligation to fill an order imposed on a Member or DMA Eligible Client by any provision of UMIR or a Policy; and that is entered on a protected marketplace to execute as against the disclosed volume on that marketplace prior to the execution or cancellation of the balance of the order.
Calculated Opening Price (COP)	A single price calculated for a security whereby the trading volume is maximized and the trading imbalance is minimized and is within parameters defined by Alpha in the opening call.
Calculated Closing Price (CCP)	A single price calculated for a security whereby the trading volume is maximized and the trading imbalance is minimized, and is within parameters defined by Alpha in the closing call.

Central Limit Order Book (CLOB)	The electronic book containing all Board Lot orders entered for execution in a continuous manner with price and priority rankings.
Clearing Corporation	CDS Clearing and Depository Services Inc. and any successor corporation or entity recognized as a clearing agency.
Directed Action Order (DAO)	A specific order type as defined in NI 23-101 that informs a marketplace that the order can be immediately carried out without delay or regard to any other better priced orders displayed by another marketplace.
Decision	Any decision, direction, order, ruling, guideline or other determination of Alpha, or of the Market Regulator made in the administration of these Trading Policies.
DMA Eligible Client	<p>A DMA Eligible Client is a client of a Member to which it provides sponsored access and that is :</p> <ol style="list-style-type: none"> 1. A client that falls within the definition of “acceptable counterparties” or “acceptable institutions” or “regulated entities” as defined in the General Notes and Definitions section of the Joint Regulatory Financial Questionnaire and Report. 2. A client that is registered as a portfolio manager under the Securities Act of one or more of the Provinces of Canada. 3. A client that is a foreign broker or dealer (or the equivalent registration) registered with the appropriate regulatory body in the broker's or dealer's home jurisdiction and that is an affiliate of a Member acting for its own account, the accounts of other Eligible Clients or the accounts of its clients. 4. A client that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the customer and falls into one of the following categories: <ol style="list-style-type: none"> (a) An insurance company as defined in section 2(13) of the U.S. Securities Act of 1933, (b) An investment company registered under the U.S. Securities Act of 1933 or any business development

- company as defined in section 2(a)(48) of that Act,
- (c) A small business investment company licensed by the U.S. Small Business Administration under section 301 (c) or (d) of the U.S. Small Business Investment Act of 1958,
 - (d) plan established and maintained by a U.S. state, its political subdivisions, or any agency or instrumentality of a U.S. state or its political subdivisions, for the benefit of its employees,
 - (e) An employee benefit plan within the meaning of Title I of the U.S. Employee Retirement Income Securities Act of 1974,
 - (f) A trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in (d) or (e) above, except trust funds that include as participants individual retirement accounts or U.S. H.R. 10 plans,
 - (g) A business development company as defined in section 202(a)(22) of the U.S. Investment Advisers Act of 1940,
 - (h) An organization described in section 501 (c)(3) of the U.S. Internal Revenue Code, corporation (other than a bank as defined in section 3(a)(2) of the U.S. Securities Act of 1933 or a savings and loan association or other institution referenced in section 3(a)(5)(A) of the U.S. Securities Act of 1933 or a foreign bank or savings and loan association or equivalent institution), partnership or Massachusetts or similar business trust, and
 - (i) An investment adviser registered under the U.S. Investment Advisers Act.
5. A client that is a dealer registered pursuant to section 15 of the U.S. Securities Exchange Act of 1934, acting for its own account or the accounts of other Eligible Clients, that in the aggregate owns and invests on a discretionary basis at least \$10 million of securities of issuers that are not affiliated with the dealer, provided that securities constituting the whole or a part of an unsold allotment to or subscription by a dealer as a participant in a public offering shall not be deemed to be owned by such dealer.
 6. A client that is an investment company registered

under the U.S. Investment Company Act, acting for its own account or for the accounts of other Eligible Clients, that is part of a family of investment companies which own in the aggregate at least \$100 million in securities of issuers, other than issuers that are affiliated with the investment company or are part of such family of investment companies and, for these purposes, "family of investment companies" means any two or more investment companies registered under the U.S. Investment Company Act, except for a unit investment trust whose assets consist solely of shares of one or more registered investment companies, that have the same investment adviser (or, in the case of unit investment trusts, the same depositor), provided, for these purposes:

- (a) Each series of a series company (as defined in Rule 18f-2 under the U.S. Investment Company Act) shall be deemed to be a separate investment company; and
 - (b) Investment companies shall be deemed to have the same adviser (or depositor) if their advisers (or depositors) are majority-owned subsidiaries of the same parent, or if one investment company's adviser (or depositor) is a majority owned subsidiary of the other investment company's adviser (or depositor).
7. A client, all of the equity owners of which are Eligible Clients, acting for its own account or the accounts of other Eligible Clients.
 8. A client that is not an individual, with total securities under administration or management exceeding \$10 million, where the client is a resident in a Basel Accord country as defined in the General Notes and Definitions section of the Joint Regulatory Financial Questionnaire and Report.
 9. A client that is a bank as defined in section 3(a)(2) of the U.S. Securities Act of 1933, or any savings and loan institution or other institution as referenced in section 3(a)(5)(A) of the U.S. Securities Act of 1933, acting for its own account or the accounts of other Eligible Clients, that in the aggregate owns and invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with it and that has an audited net worth of at least \$25 million.

IIROC	The Investment Industry Regulatory Organization of Canada.
IIROC Rules	UMIR and IIROC's dealer member rules.
Intentional Cross	A trade resulting from the entry by a Member or DMA Eligible Client of both the order to purchase and the order to sell a security, but does not include a trade in which the Member has entered one of the orders as a jitney order.
Internal Cross	An Intentional Cross between two accounts which are managed by a single firm acting as a portfolio manager with discretionary authority to manage the investment portfolio granted by each of the holders of the accounts and includes a trade in respect of which the Member or DMA Eligible Client is acting as a portfolio manager in authorizing the trade between the two accounts.
<u>Lead Market Maker</u>	The Member or Members appointed as a market maker <u>Lead Market Maker by an issuer</u> for a particular Alpha Listed Security.
<u>Lead Market Maker Approved Trader</u>	<u>The Approved Trader, given responsibility to fulfill a Lead Market Maker's responsibilities under these Trading Policies</u>
<u>Market Maker</u>	<u>The Member or Members appointed as market maker for a particular Alpha Listed Security or Other Traded Security.</u> <u>Commentary: The terms Market Maker for an Alpha Listed Security and "Market Maker for an Other Traded Security" will be used if the provision is only applicable to one and not the other. Otherwise the provision will be applicable to both.</u>
Market Maker Approved Trader	The Approved Trader, given responsibility to fulfill a Market Maker's responsibilities under these Trading Policies.
Market Regulator	IIROC or such other person recognized by the Ontario Securities Commission as a Regulation Services Provider for the purposes of Ontario securities law and which has been retained by Alpha as an acceptable Regulation

	Services Provider.
Member	A member approved by Alpha to access the Alpha Systems, provided such access has not been terminated.
Member Agreement	The agreement entered into between Alpha and a Member which sets out the terms and conditions of the Member's access to the Alpha Systems which includes the Lead Market Maker Application Form and Agreement and Market Maker Application Form and Agreement as schedules thereto.
Mixed Lot	An order containing at least one Board Lot and an Odd Lot.
National Best Bid and Offer (NBBO)	The best bid and best offer of at least a Board Lot on all visible marketplaces, but does not include special terms orders.
National Cross	A cross entered during the continuous trading session which at the time of entry was at or within the NBBO.
National Last Sale Price (NLSP)	The most recent trade of at least a Board Lot on any marketplace, other than a special terms trade.
Notice	A communication or document given, delivered, sent or served by Alpha.
Odd Lot	Any amount less than a Board Lot.
Odd Lot Approved Trader	The Approved Trader, given responsibility to fulfill an Odd Lot Dealer's responsibilities under these Trading Policies.
Odd Lot Dealer	A Member appointed as an Odd Lot Dealer for a particular security.
Odd Lot Order Book (OLOB)	The electronic book containing all Odd Lot orders.
Order Protection Rule (OPR)	NI 23-101, which sets out the requirements that ensure that all immediately accessible, visible, better-priced limit orders are executed before inferior-priced limit orders and are not traded through. OPR requires each marketplace to establish, maintain and ensure compliance with written policies and procedures that are reasonably designed to prevent trade-throughs on that marketplace.

Other Marketplace	An exchange, quotation and trade reporting system, or alternative trading system other than Alpha, which is subject to UMIR, on which any of the same securities as are tradable on Alpha are tradable, which has been identified as a Protected Marketplace by an applicable regulatory authority, excluding marketplaces which Alpha specifically identifies as an excepted Other Marketplace.
Other Traded Security (OTS)	A security listed by a stock exchange other than Alpha and traded on Alpha.
Person	Includes without limitation a corporation, incorporated syndicated or other incorporated organization, sole proprietorship, partnership or trust.
Related Entity¹	<p>A Person that is</p> <ol style="list-style-type: none"> 1. an affiliated entity of a Member, or 2. a control person of a Member or of which the Member is a control person, <p>and that carries on as a substantial part of its business in Canada that of a broker, dealer or advisor in securities and that is not itself a Member.</p>
Related Person²	<p>A Related Person is:</p> <ol style="list-style-type: none"> 1. A Related Entity, 2. An employee of a Member or a Related Entity, 3. Partners, directors and officers of a Member or Related Entity, and 4. Any other Person designated by Alpha.
Retail Customer	Is defined in accordance with Rule 1 of IIROC's dealer member rules.
Settlement Day	Any day on which trades may be settled through the facilities of the Clearing Corporation.
Sponsoring Member	A Member that provides a DMA Eligible Client with access to the Alpha Systems.
Trading Contract	Any agreement or contract:

¹ Note that this definition is being used for the purpose of these Trading Policies and may differ from definitions used by other parties.

² Note that this definition is being used for the purpose of these Trading Policies and may differ from definitions used by other parties

1. To buy or sell any Alpha Listed Security or OTS through Alpha's facilities; or
2. For delivery of, or payment for, any Alpha Listed Security or OTS (or security which was an Alpha Listed Security or OTS when the contract was made) arising from settlement through the Clearing Corporation.

Trading Policies

These Alpha Exchange trading policies, as they may be amended or supplemented from time to time.

TTM Service

The service used by Alpha to route designated orders, in part or in whole, to Other Marketplaces with the objective of complying with the Order Protection Rule (NI 23-101) to not trade through displayed better priced orders on such marketplaces.

UMIR

The Universal Market Integrity Rules adopted by IIROC as amended, supplemented and in effect from time to time

1.2. Interpretation

- (1) A company is an affiliate of another company if one of them is a subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same Person.
- (2) The division of Alpha Requirements into separate policies, divisions, sections, subsections and clauses and the provision of a table of contents, headings and notes is for convenience of reference only and shall not affect the construction or interpretation of Alpha Requirements.
- (3) The words "hereof," "herein," "hereby," "hereunder" and similar expressions mean the whole of these Trading Policies and not simply the particular section of the Trading Policies in which the term is mentioned, unless the context clearly indicates otherwise.
- (4) The word "or" is not exclusive.
- (5) The word "including," when following any general statement or term, does not limit the meaning of the general statement or term to the specific matter immediately following the statement or term.
- (6) Unless otherwise specified, any reference to a statute includes that statute and the regulations made pursuant to that statute, with all amendments made and in force from time to time, and to any statute or regulation that supersedes that statute or regulation.
- (7) Unless otherwise specified, any reference to a rule, policy, blanket order or instrument includes all amendments made and in force from time to time, and to

any rule, policy, blanket order or instrument that supersedes that rule, policy, blanket order or instrument.

- (8) Grammatical variations of any defined term have the same meaning.
- (9) Any word imputing gender includes the masculine, feminine and neuter genders.
- (10) Any word in the singular includes the plural and vice versa.
- (11) All references to time in Alpha Requirements are to Toronto time unless otherwise stated.
- (12) All references to currency in Alpha Requirements are to Canadian dollars unless otherwise stated.
- (13) All provisions of these Trading Policies apply to the trading of both Alpha Listed Securities and Other Traded Securities unless otherwise specified.

PART VI. Lead Market Makers, Market Makers and Odd Lot Dealers

DIVISION 1 — LEAD MARKET MAKERS AND MARKET MAKERS

6.1. Appointment of Market Makers and Lead Market Makers

- (1) (1) — Alpha may appoint a Member or Members as a Market Maker for an Alpha Listed Security or OTS for the term specified in ~~any Notice notifying the Members of the availability of the securities~~ the Lead Market Maker or Market Maker Application Form and Agreement, as applicable.
- (2) An Issuer listing at Alpha appoints a Lead Market Maker for an Alpha Listed Security subject to the approval of Alpha, however, Alpha reserves the right to appoint a Market Maker or a Member as a Lead Market Maker for an Alpha Listed Security in the event that the Alpha Listed Issuer's previous Lead Market Maker is terminated.
- (3) (2) — A Member wishing to be appointed as a Lead Market Maker or Market Maker for a particular Alpha Listed Security or OTS must apply and agree to the terms on the ~~designated~~ applicable Lead Market Maker or Market Maker Application Form and Agreement.
- (3) Alpha may
- (a) approve an applicant;
 - (b) defer approval pending receipt of further information concerning the applicant's qualifications to be appointed a Market Maker; or
 - (c) refuse the application for such factors it considers relevant.
- (4) A Member whose application is refused may not make another application for a period of 90 days from the date of refusal.
- (5) A Member that is approved as a Lead Market Maker or Market Maker agrees to:
- (i) maintain its status as a Member of Alpha; and (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Lead Market Maker or Market Maker set out in the Alpha Requirements, as amended from time to time. Where the Lead Market Maker or Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.

- (6) A Member that is approved as a Lead Market Maker or Market Maker agrees that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to the Lead Market Maker or Market Maker Agreement and these Trading Policies.
- (7) Alpha may revoke the Lead Market Maker or Market Maker's appointment as a Lead Market Maker or Market Maker for any or all securities or attach such additional terms or conditions to the Lead Market Maker or Market Maker Agreement as Alpha deems to be necessary, where:
- (a) the Lead Market Maker or Market Maker fails to comply with any term of the Lead Market Maker or Market Maker Agreement ~~or~~ these Trading Policies or if the Lead Market Maker or Market Maker fails to consistently perform at an adequate level to the satisfaction of Alpha (determined in Alpha's sole discretion);
 - (b) Alpha determines, in its sole discretion, that the Lead Market Maker or Market Maker or its officers, employees, directors or agents have violated any applicable ~~regulatory requirement~~ Alpha Requirements;
 - (c) Alpha believes, in its sole discretion, that the Lead Market Maker or Market Maker cannot or may not in the future carry out its obligations as a Lead Market Maker or Market Maker under these Trading Policies or the Market Maker Agreement; or
 - (d) Alpha has determined, in its sole discretion, that the Lead Market Maker or Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.

6.2 Responsibilities of Lead Market Makers ~~in Their~~ and Market Makers for their Assigned Alpha Listed Securities

- (1) ~~(1)~~—A Lead Market Maker or Market Maker must trade for its own account in a sufficient degree to ensure reasonable price continuity and liquidity for the ~~securities~~ Alpha Listed Securities assigned to it.
- (2) In particular, a Lead Market Maker ~~must~~ or Market Maker for an Alpha Listed Security must meet the criteria and requirements established in the applicable Lead Market Maker or Market Maker Agreement, including:
- ~~(a)~~ ~~(a)~~—~~post~~ posting bids and offers on a continuous basis during the continuous trading session at no more than the specified spread agreed upon with the Exchange;

~~(b) maintain a market and/or promote the fair value of the security in all trading sessions that is competitive with other marketplaces on which the security trades;~~

(b) maintaining a minimum quote size during the continuous trading session;

~~(c) appoint~~ appointing a Lead Market Maker or Market Maker Approved Trader and back-up acceptable to Alpha;

~~(d) assist~~ assisting other Members in executing orders for their Assigned Securities;

~~(e) notify~~ notifying Alpha and the Market Regulator of any perceived violation of Alpha Requirements;

~~(f) provide~~ providing Alpha with information concerning trading in their Assigned Securities.

Commentary:

Alpha will establish and or confirm standard criteria on an annual basis.

(3) A Lead Market Maker must act as the Odd Lot Dealer for its Assigned Alpha Listed Securities.

(4) No assignments will be made for Alpha Listed debt securities.

(5) A Member wishing to be appointed as a Market Maker for Alpha Listed Securities must be willing to be assigned at least 20 securities, unless Alpha consents to a lower number. A Market Maker for an Alpha Listed Security must act as the Odd Lot Dealer for their Assigned Securities if there is no Lead Market Maker.

(6) A Lead Market Maker or a Market Maker for an Alpha Listed Security must appoint, in writing, a trading officer, director or partner of the Member as its Market Maker Contact.

(47) The Lead Market Maker or Market Maker Contact:

- (a) serves as the primary contact with Alpha, with authority to speak for the Member concerning its activities as a Market Maker; and
- (b) manages the Member's market making responsibilities.

(8) The Lead Market Maker shall implement policies and procedures to monitor the conduct for compliance with these Trading Policies applicable to the Lead Market Maker and changes to such policies.

6.3 Responsibilities of Market Makers for their Assigned Other Traded Securities

(1) A Market Maker for Other Traded Securities must trade for its own account in a sufficient degree to ensure reasonable price continuity and liquidity for the securities assigned to it.

(2) In particular, a Market Maker for an Other Traded Security must meet the criteria and requirements established in the applicable Market Maker for Other Traded Securities Agreement in order to receive the applicable benefits set out in the Market Maker for Other Traded Securities Agreement, including:

- (a) trading at least the percentage of trading volume established by the Exchange;
- (b) achieving a minimum percentage of volume traded at the opening auction;
- (c) appointing a Market Maker Approved Trader and back-up acceptable to Alpha;
- (d) notifying Alpha and the Market Regulator of any perceived violation of Alpha Requirements;
- (e) providing Alpha with information concerning trading in their Assigned Securities.

- (3) A Market Maker for Other Traded Securities must act as the Odd Lot Dealer for their Assigned Securities.
- (4) No assignments will be made for Alpha for Other Traded Securities which are debt securities.
- (5) A Market Maker must appoint, in writing, a trading officer, director or partner of the Member as its Market Maker Contact.
- (6) A Member wishing to be appointed as a Market Maker for other Traded Securities must be willing to be assigned at least 200 securities, unless Alpha consents to a lower number.
- (7) The Market Maker for Other Trade Securities Contact:
- (a) serves as the primary contact with Alpha, with authority to speak for the Member concerning its activities as a Market Maker; and
- (b) manages the Member's market making responsibilities.
- (8) The Market Maker for Other Traded Securities shall implement policies and procedures to monitor the conduct for compliance with these Trading Policies applicable to the Market Maker and changes to such policies.

6.4 ~~6.3~~ Termination of Responsibilities

- (1) A Lead Market Maker or Market Maker's obligations with respect to a right, warrant or similar security terminate 10 business days prior to the expiry date of the security.
- (2) A Lead Market Maker or Market Maker's obligations with respect to a preferred share that has been called for redemption or retraction terminate 10 business days prior to the redemption or retraction date of the security.
- (3) Alpha may suspend or terminate a Lead Market Maker or Market Maker's responsibilities where a corporate action or other unusual circumstance makes it impractical for the Lead Market Maker or Market Maker to carry out its responsibilities.
- (4) Alpha may suspend or terminate a Lead Market Maker or Market Maker's obligation to post an offer where
- (i) the Lead Market Maker or Market Maker is not long the security; and

- (ii) the [Lead Market Maker or](#) Market Maker cannot borrow securities to cover short sales at a reasonable cost.

6.5 ~~6.4.~~ Notification

- (1) A [Lead Market Maker or](#) Market Maker must give Alpha at least 10 days' prior notice of any change in the [Lead Market Maker or](#) Market Maker Contact, the [Lead Market Maker or](#) Market Maker Approved Trader or backup, unless circumstances make such prior notice impossible, in which case notice must be given as soon as possible.
- (2) A [Lead Market Maker or](#) Market Maker must inform Alpha immediately if market conditions in any of its assigned securities have changed such that it is no longer possible for the Market Maker to carry out its responsibilities.
- (3) A [Lead Market Maker or](#) Market Maker must give Alpha at least 60 days' prior written notice that it intends to relinquish its responsibilities in an Assigned Security, unless Alpha has consented to a shorter notice period.

6.6 ~~6.5.~~ Transition

- (1) Alpha will provide Notice to all Members at least 30 days prior to the end of a [Lead Market Maker or](#) Market Maker's term when a [Lead Market Maker or](#) Market Maker has given notice under Section ~~6.4.~~[6.5.](#)
- (2) If the [Lead Market Maker or](#) Market Maker has not given notice of its intention to terminate its status as a [Lead Market Maker or](#) Market Maker, the assigned securities will remain with the current [Lead Market Maker or](#) Market Maker for successive one year terms.
- (3) The transfer of an assignment occurs on the date of the assignment to a new [Lead Market Maker or](#) Market Maker. Unless otherwise provided by Alpha and as set out in a Notice, the transfer of the assignment will occur 10 business days after Notice of the new appointment.

DIVISION 2 — ~~ODD LOT DEALERS~~ [ASSIGNMENT OF SECURITIES](#)

~~6.6. — Appointment of Odd Lot Dealers~~

- ~~(1) — Alpha may appoint a Member as Odd Lot Dealer for an Alpha Listed Security or OTS.~~
- ~~(2) — A Member wishing to be appointed as an Odd Lot Dealer must apply and shall agree to the terms of the designated Odd Lot Dealer Agreement.~~
- ~~(3) — A Member wishing to be appointed as an Odd Lot Dealer must act as such for at least 200 securities, unless Alpha consents to a lower number.~~

- ~~(4) — Alpha may~~
- ~~(a) — approve an applicant;~~
 - ~~(b) — defer approval pending receipt of further information concerning the applicant's qualifications to be appointed an Odd Lot Dealer; or~~
 - ~~(c) — refuse the application for such factors it considers relevant.~~
- ~~(5) — A Member whose application is refused may not make another application for a period of 90 days from the date of refusal.~~
- ~~(6) — Alpha may revoke the Odd Lot Dealer's appointment as an Odd Lot Dealer for any or all securities or attach such additional terms or conditions to the Odd Lot Dealer Agreement as Alpha deems to be necessary, where:~~
- ~~(a) — the Odd Lot Dealer fails to comply with any term of the Odd Lot Dealer Agreement or these Trading Policies;~~
 - ~~(b) — Alpha determines, in its sole discretion, that the Odd Lot Dealer or its officers, employees, directors or agents have violated any applicable regulatory requirement;~~
 - ~~(c) — Alpha believes, in its sole discretion, that the Odd Lot Dealer cannot or may not in the future carry out its obligations as an Odd Lot Dealer under these Trading Policies or the Odd Lot Dealer Agreement; or~~
 - ~~(d) — Alpha has determined, in its sole discretion, that the Odd Lot Dealer or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.~~
- ~~(7) — A Member that is approved as an Odd Lot Dealer agrees to: (i) maintain its status as a Member of Alpha; and (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as an Odd Lot Dealer set out in these Trading Policies, as amended from time to time. Where the Odd Lot Dealer does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.~~
- ~~(8) — A Member that is approved as an Odd Lot Dealer agrees that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to the Odd Lot Dealer Agreement and these Trading Policies.~~

6.7 Assignment of Securities to Market Makers

- ~~(1)~~ (1) Alpha will assign securities to ~~Odd Lot Dealers~~Market Makers at least five business days prior to the effective date of the assignment.
- (2) Alpha may reassign a security if

- (a) the number of ~~Odd Lot Dealers~~ Market Makers increases;
 - (b) the ~~Odd Lot Dealer~~ Market Maker for that security requests a reassignment.
 - (c) the ~~Odd Lot Dealer~~ Market Maker for that security has chosen not to renew its appointment; or
 - (d) Alpha withdraws its approval of the ~~Odd Lot Dealer~~ Lead Market Maker or Market Maker for that security.
- (3) Any reassignment will be made on a random basis in accordance with Alpha Exchange procedures.
- (4) If a reassignment request has been made pursuant to Rule 6.7(2)(b) and the security cannot be reassigned, the ~~Odd Lot Dealer~~ Market Maker will continue to have responsibility for the rest of its one year term, subject to Rule ~~6.10(3) and (4.6.4)~~.

Commentary

~~Alpha Odd Lot facilities are available to Members for all instruments other than listed or unlisted debt securities.~~

6.8.—Responsibilities of Odd Lot Dealer in their Assigned Securities

- (1)—~~An Odd Lot Dealer must~~
- (a)—~~accept and honour automatic execution of Odd Lot orders in accordance with Alpha Requirements for one year following its appointment;~~
 - (b)—~~appoint an Odd Lot Approved Trader and back-up acceptable to Alpha;~~
 - (c)—~~assist other Members in executing Odd Lot orders;~~
 - (d)—~~notify Alpha and the Market Regulator of any perceived violation of Alpha Requirements;~~
 - (e)—~~provide Alpha with information concerning Odd Lot trading in their assigned securities.~~
- (2)—~~An Odd Lot Dealer must appoint, in writing, a trading officer, director or partner of the Member as its Odd Lot Dealer Contact.~~
- (3)—~~The Odd Lot Dealer Contact:~~
- (a)—~~serves as the primary contact with Alpha, with authority to speak for the Member concerning its activities as an Odd Lot Dealer; and~~
 - (b)—~~manages the Member's Odd Lot dealing responsibilities.~~

6.9. Termination of Responsibilities

- ~~(1) An Odd Lot Dealer's obligations with respect to a right, warrant or similar security terminate 10 business days prior to the expiry date of the security.~~
- ~~(2) An Odd Lot Dealer's obligations with respect to a preferred share that has been called for redemption or retraction terminate 10 business days prior to the redemption or retraction date of the security.~~
- ~~(3) Alpha may suspend or terminate an Odd Lot Dealer's responsibilities where a corporate action or other unusual circumstance makes it impractical for the Odd Lot Dealer to carry out its responsibilities.~~
- ~~(4) Alpha may suspend or terminate an Odd Lot Dealer's obligation to execute against buy orders where

 - ~~(a) the Odd Lot Dealer is not long the security; and~~
 - ~~(b) the Odd Lot Dealer cannot borrow securities to cover short sales at a reasonable cost.~~~~

6.10. Notification

- ~~(1) An Odd Lot Dealer must give Alpha at least 10 days' prior notice of any change in the Odd Lot Dealer Contact, the Odd Lot Approved Trader or backup, unless circumstances make such prior notice impossible, in which case notice must be given as soon as possible.~~
- ~~(2) An Odd Lot Dealer must inform Alpha immediately if market conditions in any of its Assigned Securities have changed such that it is no longer possible for the Odd Lot Dealer to carry out its responsibilities.~~
- ~~(3) An Odd Lot Dealer must give Alpha at least 30 days' prior written notice that it will not renew its appointment, unless Alpha has consented to a shorter notice period.~~
- ~~(4) Failure to give the notice required by Rule 6.10(3) will result in a renewal of the Odd Lot Dealer's responsibilities for a further one year term.~~

6.11. Transition of an Odd Lot Book

- ~~(1) Alpha will provide Notice to all Members at least 30 days prior to the end of an Odd Lot Dealer's term, or when an Odd Lot Dealer has given notice under Section 6.10, so that other Members may apply to be an Odd Lot Dealer for the subsequent term.~~
- ~~(2) If no new Member applies to become an Odd Lot Dealer at the end of a term of a current Odd Lot Dealer and the Odd Lot Dealer had not given notice of its intention to terminate its status as an Odd Lot Dealer, the assigned securities will remain with the current Odd Lot Dealer until such time that a new Odd Lot Dealer is assigned those securities or that the Odd Lot Dealer gives notice under Section 6.10(3).~~

- ~~(3) The transfer of an assignment occurs on the date of the assignment to a new Odd Lot Dealer. Unless otherwise provided by Alpha and as set out in a Notice, the transfer of the assignment will occur 10 business days after the new appointment.~~
- ~~(4) If there is no new appointment of an Odd Lot Dealer to the securities and the Odd Lot Dealer has requested a termination of its Odd Lot Dealer status these securities will be assigned to the remaining Odd Lot Dealers. However, if for some reason there is no Odd Lot Dealer for a security, then the Odd Lot Orders or Mixed Lot Orders for the securities will be rejected upon the effective date of the termination.~~
- ~~(5) Any Odd Lot Orders or Mixed Lot Orders remaining in the Central Limit Order Book or the Odd Lot Order book at the time of termination or suspension of the appointment will be cancelled if there has not been a re-assignment of securities.~~

6.8 6.12. Sessions, Dates and Times

- (1) Odd Lot Orders may be entered for trading during the Pre-Open Phase, Continuous Trading Session, and Extended Trading Session.
- (2) Odd Lot Orders may be executed during the Continuous Trading Session and the Extended Trading Session.

DIVISION 3 — TRADING IN THE ODD LOT BOOK

6.9 6.13. Continuous Trading Session.

- (1) Incoming Odd Lot Market Orders will auto-execute at the time of order entry, at the National Best Bid and Offer price (sell orders at the best bid and buy orders at the best offer).
 - (a) If the relevant price is not available in the National Best Bid and Offer, the Odd Lot Market Order will be booked in the Odd Lot Order Book (OLOB) at the National Last Sale Price.
- (2) Incoming Odd Lot Limit Orders
 - (a) with price equal to or better than the National Best Bid and Offer will auto-execute at the time of order entry, at the National Best Bid and Offer price, and
 - (b) all other Odd Lot Limit Orders will be booked in the OLOB.
- (3) Odd Lot Limit Orders booked in the OLOB will be executed at the NBBO. Odd Lot limit sell orders will be executed at the National Best Bid price if the limit price is equal to or better than the National Best Bid and Odd Lot limit buy orders will be executed at the National Best offer price if the limit price is equal to or better than the National Best Offer.

- (a) at each National Last Sale Price-setting trade Odd Lot limit orders booked in the OLOB will be validated against the NBBO.
 - (b) when there is an update (i.e. new order or order amend) in the Alpha CLOB Odd Lot limit orders booked in the OLOB will be validated against the NBBO.
 - (c) when the Odd Lot limit price is worse than the National Best Bid for sell orders and worse than the National Best Offer for buy orders, than the Odd Lot order will remain in the Odd Lot order book.
- (4) For Mixed Lot Orders,
- (a) the round lot portion will trade in the CLOB using regular CLOB matching mechanism, and
 - (b) the Odd Lot portion will auto-execute when the last Board Lot of the round lot portion is executed, at the price of the last Board Lot.

Commentary:

Example:

XYZ Security NBBO

Bid		Ask	
200 shares	10.00	10.05	100 shares

NLSP is 10.04

Example 1:

- Incoming order to buy 50 @ market will auto-execute at 10.05 (section [6.126.9\(1\)\(a\)](#))

Example 2:

- Incoming order to buy 50 @ 10.06 will auto-execute at 10.05 (section [6.126.9\(2\)\(a\)](#))

Example 3:

- Incoming order to buy 50 @ 10.03 will be registered in the OLOB – no auto-execution (section [6.126.9\(2\)\(b\)](#))

Example 4:

- A new order to buy 100 @ market is entered and 100 shares execute in the CLOB at 10.05. As a result there is now no current National Best Offer price.
- An order is entered to buy 50 @10.03 and is registered in the OLOB.

- A new sell order is entered for 500 shares at \$10.03, 200 shares subsequently execute at \$10.03. As a result the NBBO: \$10.00 - \$10.03 and NLSP: \$10.03).
- The odd lot order will auto-execute at 10.03, which is at the National Best Offer (section ~~6-126.9~~ (3)(a)).

Example 5:

- An order is entered to buy 50 @ 10.03 and is registered in the OLOB.
- A new order to sell 200 @ 10.02 is registered in the Alpha CLOB.
- The odd lot order will auto-execute at \$10.02, since there was an update to the Alpha CLOB (section ~~6-126.9~~(3)(b))

Example 6:

- An order is entered to buy 250 @ 10.05.
- 1 trade will execute: 100 shares at 10.05. 100 shares are registered in the CLOB and available for trading and 50 shares hidden. ABBO is now 10.05-10.06
- An order to sell 100 @ market is entered and 100 shares execute at 10.05.
- The 50 hidden shares will now execute at 10.05, since 10.05 is the price at which the last board lot of the original mixed lot order was executed (section d.)

Example 7:

- An order is entered to buy 50 @ 10.04 and is registered in the OLOB.
- The NLSP is updated to \$10.04
- No Trade is executed (Section ~~6-126.9~~(3)(c)). Limit Price is outside the National Best Offer.

6.10 ~~6.14~~ Opening Session

- (1) Odd Lot Orders do not participate in the opening auction.
- (2) If trades are executed in the Opening,
 - (a) Odd Lot Market Orders entered in the pre-open will auto-execute at the COP, immediately following the Opening.
 - (b) Odd Lot Limit Orders with price equal to or better than the will auto-execute at the COP, in accordance with rule ~~6-126.9~~(3), immediately following the Opening.
- (3) If no trades are executed in the Opening
 - (c) ~~(a)~~ Odd lot market orders entered in the Pre-Open will be booked as the odd lot limit orders at the price equal to the adjusted closing price that is used in the pre-open.
- (4) If the last board lot size of a mixed lot order is executed in the Opening, the odd lot part of the mixed lot order will be executed at the COP.

6.11 ~~6.15~~ Closing Session

- (1) Odd Lot orders do not participate in the Closing auction.
- (2) If trades are executed in the Closing, odd lot limit orders with price equal to or better than the Alpha Closing Price will auto-execute at the closing price, immediately following the Closing.
- (3) If the last board lot size of a mixed lot order is executed in the Closing, the odd lot part of the mixed lot order will be executed at the Alpha Closing Price.

6.12 ~~6.15~~ Mixed Lot Short Sale Orders

- (1) Mixed lot Short Sale orders will be pegged to the NLSP up to the order's limit price and then executed according to ~~6.13, 6.14~~6.9, 6.10 and ~~6.15~~6.11.

6.13 ~~6.16~~ Orders Booked in OLOB

- (1) Orders booked in the OLOB are not disseminated on the public data feed.

Odd-Lot Dealer will receive an auto-execution message for each Odd-Lot trade that it participated in.

Accepted Odd Lot Orders	Non-Accepted Odd Lot Orders
Market Orders	Standard Iceberg Orders
Limit Orders	Price Improvement Iceberg Order
FOK Orders	Inside Match Order
FAK Orders	Specialty Price Cross
AON Orders	MOO
On-Stop Orders	LOO
Short Sales (pass-through marker only, no price adjustment)	MOC
Special Terms Orders	
Cross (Regular)	
GTx Orders	

DIVISION 4 — ASSESSMENT OF PERFORMANCE OF ~~OLDS AND~~ LEAD MARKET MAKERS AND MARKET MAKERS

6.14 ~~6.17.~~ Assessment of Performance

- (1) ~~From~~ As set out in the applicable Lead Market Maker or Market Maker Agreement, from time to time and at least ~~annually~~ monthly, Alpha will assess the performance of Lead Market Makers and Odd Lot Dealers ~~or Market Makers~~.
- (2) On completion of the assessment of performance over a three month period, the ~~Alpha~~ Exchange may, for such factors as it sees fit
 - (a) continue the appointment of the Member as a Lead Market Makers or Market Maker ~~or Odd Lot Dealer~~ in any or all of its Assigned Securities;
 - (b) continue the appointment of the Member as a Lead Market Makers or Market Maker ~~or Odd Lot Dealer~~ in any or all of its Assigned Securities and impose additional terms and ~~conditions~~ condition; or
 - (c) withdraw approval of the Member as a Lead Market Makers or Market Maker ~~or Odd Lot Dealer~~ in any or all of its Assigned Securities.
- (3) Alpha may withdraw approval of or impose additional terms and conditions on a Lead Market Makers or Market Maker, its Lead Market Makers or Market Maker Contact, any Lead Market Makers or Market Maker Approved Traders or backups, ~~Odd Lot Dealer, or Odd Lot Dealer Approved Trader~~, if Alpha determines that any of these parties has contravened or is contravening any Alpha Requirement or IIROC rule.

DIVISION 5 — UNFAIR TRADING

6.15 ~~6.18.~~ Unfair Trading in Odd Lots

- (1) ~~Odd Lot Dealers~~ Lead Market Makers or Market Makers and Members are responsible to ensure that Odd Lot activity is in compliance with all requirements.

Commentary:

The following types of activity may be reviewed as an indication of unfair trading:

Unbundling Round Lots for the purpose of entering Odd Lot orders.

Entering of both buy and sell Odd Lot Limit orders in the same security before one of the orders is executed, for the purpose of capturing the spread in the stock.

Other types of trading activity that is not consistent with traditional Odd Lot investment activity.

Effecting pre-arranged wash sales in Odd Lots, which are trades in which an offer to buy is coupled with an offer to sell back at the same or advanced price (or vice versa).

Entering orders into the CLOB for the purpose of affecting the execution price of the Odd Lot trades.

- (2) If Alpha deems a Member is engaging in Odd Lot trading activity that is unfair, Alpha may restrict the Member or suspend the Approved Trader from Odd Lot activity.



SCHEDULE 2 – LEAD MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA LISTED SECURITIES

Member: _____
Lead Market Maker Approved _____
Trader: _____
Back-up Trader: _____

Is the Member, the Lead Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario) of the issuer of the security that is the subject of this application? If yes, provide details:

The terms and conditions below form part of the Lead Market Maker Application Form and Agreement.



Lead Market Maker Terms and Conditions:

1. LEAD MARKET MAKER RESPONSIBILITIES

- (a) Appointment of Lead Market Makers for Alpha Listed Securities. Upon execution of this Agreement, ("the Lead Market Maker") agrees to act as a Lead Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Lead Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Lead Market Maker that has been requested by the Alpha Listed Issuer for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Lead Market Maker agrees to: (i) maintain its status as a Member of Alpha; and (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Lead Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Lead Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.
- (c) Obligations of Market Makers. The Lead Market Maker will carry out all obligations of a Lead Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha Exchange, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Member agreement entered into by the Lead Market Maker and Alpha, as amended from time to time (the "Member Agreement").
- (d) Resources. The Lead Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to this Agreement and the Policies.
- (e) Lead Market Maker Policies. The Lead Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Lead Market Maker and changes to such policies.
- (f) Odd Lot Responsibilities. The Lead Market Maker will carry out all obligations of an odd-lot dealer as set out in Trading Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Trading Policies (which have been incorporated by reference into and form a part of the Member Agreement) entered into by the Lead Market Maker and Alpha, as amended from time to time (the "Member Agreement").
- (g) Term. The Lead Market Maker agrees to act as a Lead Market Maker for all securities assigned by Alpha for a period of three (3) years, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of each year.

2. ALPHA RESPONSIBILITIES

- (a) Access to Information. Alpha shall take reasonable steps to provide the Lead Market Maker with access to data and information to allow the Lead Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports regarding the Lead Market Maker's performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Lead Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion. Nothing in this section shall be construed to affect the Lead Market Maker's responsibility to comply with Section 1(e) herein.

3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Lead Market Maker's appointment as a Lead Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Lead Market Maker fails to comply with any term of this Agreement or the Policies;

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September 1, 2011

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- (ii) Alpha determines, in its sole discretion, that the Lead Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;
 - (iii) Alpha believes, in its sole discretion, that the Lead Market Maker cannot or may not in the future carry out its obligations as a Lead Market Maker under the Policies or this Agreement; or
 - (iv) Alpha has determined, in its sole discretion that the Lead Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.
- (b) Termination for Convenience. The Lead Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Lead Market Maker by providing written notice of its intention to do so not less than sixty (60) days prior to the end of the year.
- (c) Transition. The Lead Market Maker agrees to comply with all provisions of the Trading Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Lead Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.
- 4. FEES AND CREDITS**
- (a) Fees. In addition to any other requirements in the Member Agreement regarding other services, the Lead Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Lead Market Maker Agreement in relation to the security to which it is acting as the Lead Market Maker.
 - (b) Invoicing. Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Lead Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Lead Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.
- 5. GENERAL**
- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
 - (b) Notices. All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
 - (c) Laws governing. This Agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
 - (d) Amendments in writing. No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Lead Market Maker.
 - (e) Assignment of rights. The Market Maker may not transfer or assign its rights and obligations hereunder without the prior written consent of Alpha and the issuer for which it is acting as Lead Market Maker. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
 - (f) Execution in counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
 - (g) Whole or partial invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.
 - (h) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Lead Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in the agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of



government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.

- (i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.
- (j) Effect of Termination. Termination of the agreement or the appointment of any Member as a Market Maker shall not terminate or negate any obligations of the Lead Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Lead Market Maker up to the effective time of termination.
- (k) Liability.
- (i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.
- (ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Lead Market Maker under or related to this Agreement.
- (iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).
- (iv) Money damages may both be incalculable and an insufficient remedy for any breach of

the agreement by such party or its employees, agents or representatives and that any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.

- (v) Neither Alpha nor the Lead Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.
- (l) Disclaimers. All disclaimers and limitation herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.
- (m) Indemnifications.
- (i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Lead Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Lead Market Maker agrees that Alpha shall be relieved of the foregoing obligations unless the Lead Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.
- (ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages,



costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Lead Market Maker or its officers, employees, directors or agents. The Lead Market Maker shall pay on demand all amounts due under this section.

- (n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
- (o) Time of the Essence. Time shall be the essence of the agreement.

LEAD MARKET MAKER AUTHORIZATION AND DECLARATION	
Lead Market Maker	
Name of Signing Officer	Title
Signature	Date

ALPHA EXCHANGE INC.	
Name of Signing Officer	Title
Signature	Date



Attachment "A" to the Lead Market Maker Agreement – Trading Standards

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE	•	•	•
MAXIMUM SPREAD	•	•	•
PRESENCE	99%	99%	99%

STANDARD CRITERIA FOR OPENING AUCTION TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
DAILY MINIMUM PARTICIPATION	•	•	•

CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED AS AGREED WITH LISTING ISSUER

Security Requested: _____

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE			

Acknowledgement

Alpha Listed Issuer for the
Security Requested:

Authorized Signing Officer

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September 1, 2011

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CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED AS
AGREED WITH LISTING ISSUER

Security Requested: _____

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE			

Acknowledgement

Alpha Listed Issuer for the
Security Requested:

Authorized Signing Officer

CRITERIA FOR CONTINUOUS TRADING SESSION FOR SECURITY REQUESTED AS
AGREED WITH LISTING ISSUER

Security Requested: _____

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE			
MAXIMUM SPREAD			
PRESENCE			

Acknowledgement

Alpha Listed Issuer for the
Security Requested:

Authorized Signing Officer

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September 1, 2011

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Attachment "B" to the Lead Market Maker Agreement - Fees

<p>For trades on Assigned Securities and other Eligible Securities⁽²⁾ made by the Lead Market Maker⁽¹⁾</p> <p>Continuous Passive – Lead Market Maker Trade Price/Share < \$1 Trade Price/Share >=\$1 & <5 Trade Price/Share >= \$5</p> <p>Continuous Passive – Lead Market Maker – Exchange Traded Funds Trade Price/Share < \$1 Trade Price/Share >=\$1</p>	
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<p>For trades on Assigned Securities and other Eligible Securities made by the Lead Market Maker of Exchange-Traded-Funds and structured products⁽¹⁾</p> <p>Continuous Active – Market Maker Trade Price/Share < \$1 Trade Price/Share >=\$1 & <5 Trade Price/Share >= \$5</p>	
--	--

<p>If the Lead Market Maker is in compliance with the minimum participation criteria in the opening auction then the Lead Market Maker will receive the following rebate for trades in the opening auction in its Assigned Securities:</p>	
<p>Trade Price/Share < \$1 Trade Price/Share >=\$1 & <5 Trade Price/Share >= \$5</p>	

<p>Additional Compensation for Assigned Securities:</p> <p>The Lead Market Maker will receive on a monthly basis a certain percent of the Exchange's trading revenue for the Assigned Security for the next 3 years following the listing of such security⁽¹⁾:</p> <p>For year 1: •% of the trading revenue received by Alpha for the Assigned Security. For year 2: •% of the trading revenue received by Alpha for the Assigned Security. For year 3: •% of the trading revenue received by Alpha for the Assigned Security.</p>
--

Notes:

- 1) When the Lead Market Maker is in compliance with its continuous Lead Market Maker obligations as set out in Attachment "A" to the Lead Market Maker Agreement for the preceding month then it shall qualify for the fees set out to be applied to the current month.



- 2) An "Eligible Security" is defined to mean: the top 20 most actively traded security of the respective market maker trader ID if the Lead Market Maker acts as such on less than 10 ETFs / SPI –Other; (ii) the top 50 most actively traded security of the respective market maker trader ID if the Lead Market Maker acts as such on between 10 ETFs / SPI –Other; or (iii) the top 100 most actively traded security of the respective market maker trader ID if the Lead Market Maker acts as such on more than 100 ETFs / SPI-Other.

Odd-Lot Fees for the Lead Market Maker:

Transactional Fees	
Equity Trades	Fee/Share
Autoexecution - Exchange Traded Funds	
Trade Price/Share < \$1	
Trade Price/Share >=\$1	
Autoexecution - Other	
Trade Price/Share < \$1	
Trade Price/Share >=\$1 &<\$5	
Trade Price/Share >= \$5	
Note/Debenture Trades	Fee/\$1,000 par value
Autoexecution	

Notes

- 1) These fees are only payable in relation to trading activity conducted utilizing the specific trader identification (Trader ID) utilized for odd lot trading activity.
- 2) The fees (credits) in relation to the "Autoexecution" of trades by the Lead Market Maker acting as the Odd Lot Dealer will be as set out under the "Autoexecution" sections.
- 3) These fees do not apply to any trading activity of the Odd-Lot Dealer except as referenced in Item (1) above.
- 4) The fees payable or credits receivable pursuant to the terms hereof shall be payable in accordance with the terms of the Lead Market Maker Agreement and/or the Member Agreement. All amounts payable or credit earned hereunder shall be netted with all amount payable under the Lead Market Maker Agreement and/or the Member Agreement.
- 5) For the purposes of this fee table, each \$1,000 par value of Debentures/Bonds traded will be treated as one Share (i.e. a \$100 par value Autoexecute will entitle the Odd-Lot Dealer to a credit of \$0.00031).



SCHEDULE 3 - MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA LISTED SECURITIES

Member: _____
Market Maker Approved Trader: _____
Back-up Trader: _____

Is the Member, the Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario) of the issuer of the security that is the subject of this application? If yes, provide details:

The terms and conditions below form part of the Market Maker Application Form and Agreement.



Market Maker Terms and Conditions:

1. MARKET MAKER RESPONSIBILITIES

- (a) Appointment of Market Makers for Alpha Listed Securities. Upon execution of this Agreement, ("the Market Maker") agrees to act as a Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Market Maker for an Alpha Listed Issuer for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Market Maker agrees to:
- (i) maintain its status as a Member of Alpha; and
 - (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.
- (c) Obligations of Market Makers. The Market Maker will carry out all obligations of a Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha Exchange, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Member agreement entered into by the Market Maker and Alpha, as amended from time to time (the "Member Agreement").
- (d) Resources. The Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to this Agreement and the Policies.
- (e) Market Maker Policies. The Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Market Maker and changes to such policies.
- (f) Term. The Market Maker agrees to act as a Market Maker for all securities assigned by Alpha for a period of one (1) year, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with

the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of each year.

2. ALPHA RESPONSIBILITIES

- (a) Access to Information. Alpha shall take reasonable steps to provide the Market Maker with access to data and information to allow the Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports to the Market Maker regarding the performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion. Nothing in this section shall be construed to affect the Market Maker's responsibility to comply with Section 1(e) herein.

3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Market Maker's appointment as a Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Market Maker fails to comply with any term of this Agreement or the Policies;
 - (ii) the Market Maker becomes the Lead Market Maker for an Alpha Listed Security;
 - (iii) Alpha determines, in its sole discretion, that the Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;
 - (iv) Alpha believes, in its sole discretion, that the Market Maker cannot or may not in the future carry out its obligations as a Market Maker under the Policies or this Agreement; or
 - (v) Alpha has determined, in its sole discretion that the Market Maker or its officers, employees, directors or agents have in any



way acted in a manner that is detrimental to the interests of Alpha or the public.

- (b) Termination for Convenience. The Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Market Maker by providing written notice of its intention to do so not less than sixty (60) days prior to the end of the year.
- (c) Transition. The Market Maker agrees to comply with all provisions of the Trading Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.

4. FEES AND CREDITS

- (a) Fees. The Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Market Maker Agreement in relation to the security to which it is acting as the Market Maker.
- (b) Invoicing. Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.

5. GENERAL

- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
- (b) Notices. All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
- (c) Laws governing. This agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- (d) Amendments in writing. No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Market Maker.

- (e) Assignment of rights. The Market Maker may not transfer or assign its rights and obligations hereunder without the prior written consent of Alpha. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- (f) Execution in counterparts. This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
- (g) Whole or partial invalidity. The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.
- (h) Natural Disasters. Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in the agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.
- (i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur



volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.

- (j) Effect of Termination. Termination of the agreement or the appointment of any Member as an Market Maker shall not terminate or negate any obligations of the Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Market Maker up to the effective time of termination.
- (k) Liability.
- (i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.
- (ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Market Maker under or related to this Agreement.
- (iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).
- (iv) Money damages may both be incalculable and an insufficient remedy for any breach of the agreement by such party or its employees, agents or representatives and that any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.
- (v) Neither Alpha or the Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.
- (l) Disclaimers. All disclaimers and limitation herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.
- (m) Indemnifications.
- (i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Market Maker agrees that Alpha shall be relieved of the foregoing obligations unless the Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.
- (ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Market Maker or its officers, employees, directors or agents. The Market Maker shall pay on demand all amounts due under this section.
- (n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
- (o) Time of the Essence. Time shall be the essence of the agreement.



MARKET MAKER AUTHORIZATION AND DECLARATION	
Market Maker	
Name of Signing Officer	Title
Signature	Date

ALPHA EXCHANGE INC.	
Name of Signing Officer	Title
Signature	Date



Attachment "A" to the Market Maker Agreement – Trading Standards

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
MINIMUM QUOTE SIZE	•	•	•
MAXIMUM SPREAD	•	•	•
PRESENCE	99%	99%	99%

Security Assigned: _____

Security Assigned: _____

Security Assigned: _____

Security Assigned: _____



Attachment “B” to the Market Maker Agreement - Fees

<p>For trades on the assigned Alpha Listed Securities made by the Market Maker on next month⁽¹⁾:</p> <p style="text-align: center;">Continuous Passive – Lead Market Maker Trade Price/Share < \$1 Trade Price/Share >=\$1 & <5 Trade Price/Share >= \$5</p>	
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Notes:

- 1) When the Market Maker is in compliance with its continuous Market Maker obligations as set out in Attachment “A” to the Market Maker Agreement for the preceding month then it shall qualify for the fees set out in this schedule to be applied to trades in the following month.

For all other fees on other trades please see the fees listed on Schedule 1 of the Member Agreement.



SCHEDULE 4 - MARKET MAKER APPLICATION FORM AND AGREEMENT FOR ALPHA OTHER TRADED SECURITIES

Member: _____
Market Maker Approved Trader: _____
Back-up Trader: _____
Please list all other exchanges and securities (including symbols) in respect of which you act as a Market Maker for: _____

Is the Member, the Market Maker Approved Trader or the Back-up Trader an insider (as defined in section 1.1 of the Securities Act (Ontario) of the issuer of the security that is the subject of this application? If yes, provide details:

The terms and conditions below form part of the Market Maker Application Form and Agreement.



Market Maker Terms and Conditions:

1. MARKET MAKER RESPONSIBILITIES

- (a) Appointment of Market Makers for Alpha Other Traded Securities. Upon execution of this Agreement, ("the Market Maker") agrees to act as a Market Maker in accordance with the Trading Policies of Alpha Exchange Inc. ("Alpha") provided to the Market Maker ("Policies"), as amended from time to time. Alpha shall be entitled to approve the Market Maker for an Alpha Listed Issuer for a specific security in accordance with the terms of the Policies or in such other manner as Alpha may deem appropriate, in its sole discretion.
- (b) Status as a Member. The Market Maker agrees to:
- (i) maintain its status as a Member of Alpha; and
 - (ii) take all commercially reasonable steps to ensure that it complies with all requirements to act as a Market Maker set out in this Agreement and the Policies, as amended from time to time. Where the Market Maker does not comply with such requirements it will immediately advise Alpha of such failure in writing. Such notification will include specific information as to the nature of such failure to comply.
- (c) Obligations of Market Makers. The Market Maker will carry out all obligations of a Market Maker as set out in this Agreement, including but not limited to those obligations set out in Appendix "A", which may be amended by Alpha Exchange, and the Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Member agreement entered into by the Market Maker and Alpha, as amended from time to time (the "Member Agreement").
- (d) Resources. The Market Maker represents and warrants that it has and will continue to have necessary resources, including trained personnel and technology, to allow it to carry out all of its obligations pursuant to this Agreement and the Policies.
- (e) Market Maker Policies. The Market Maker shall implement policies and procedures to monitor the conduct for compliance with the Policies applicable to the Market Maker and changes to such policies.
- (f) Term. The Market Maker agrees to act as a Market Maker for all securities assigned by Alpha for a period of one (1) year, with an automatic renewal for additional one year terms, subject to each party's right to terminate in accordance with

the specific provisions of this Agreement (the "Term"). All terms shall expire on the anniversary of each year.

- (g) Odd Lot Responsibilities. The Market Maker will carry out all obligations of an odd-lot dealer as set out in Trading Policies or as otherwise directed by Alpha and will at all times carry out all obligations in compliance with the Alpha Requirements, as defined in the Trading Policies (which have been incorporated by reference into and form a part of the Member Agreement) entered into by the Market Maker and Alpha, as amended from time to time (the "Member Agreement").

2. ALPHA RESPONSIBILITIES

- (a) Access to Information. Alpha shall take reasonable steps to provide the Market Maker with access to data and information to allow the Market Maker to evaluate the performance of its obligations hereunder. Alpha will provide monthly (or more frequently at Alpha's discretion) reports to the Market Maker regarding the performance of its obligations.
- (b) Changes to Policies. Where practical to do so, Alpha shall take reasonable steps to notify the Market Maker of proposed changes to the Policies not less than 30 days prior to the implementation of such a change. Notwithstanding this obligation, Alpha may implement any change in Policies without such notification where Alpha deems the immediate implementation of such change is necessary or desirable, in its absolute discretion. Nothing in this section shall be construed to affect the Market Maker's responsibility to comply with Section 1(e) herein.

3. TERMINATION OF RESPONSIBILITIES

- (a) Breach of Obligations. Alpha shall be entitled to revoke the Market Maker's appointment as a Market Maker for any or all securities or attach such additional terms or conditions to this Agreement as Alpha deems to be necessary, where:
- (i) the Market Maker fails to comply with any term of this Agreement or the Policies;
 - (ii) Alpha determines, in its sole discretion, that the Market Maker or its officers, employees, directors or agents have violated any Alpha Requirement;



- (iii) Alpha believes, in its sole discretion, that the Market Maker cannot or may not in the future carry out its obligations as a Market Maker under the Policies or this Agreement; or
 - (iv) Alpha has determined, in its sole discretion that the Market Maker or its officers, employees, directors or agents have in any way acted in a manner that is detrimental to the interests of Alpha or the public.
- (b) **Termination for Convenience.** The Market Maker shall be entitled, during the Term, to terminate its responsibilities hereunder, in relation to all securities for which it acts as a Market Maker by providing written notice of its intention to do so not less than sixty (60) days prior to the end of the year.
- (c) **Transition.** The Market Maker agrees to comply with all provisions of the Trading Policies relating to the transition responsibilities as a Market Maker wherever its responsibilities have been terminated or suspended hereunder. The Market Maker has appropriate resources, policies and procedures in place to ensure compliance with all applicable Alpha Requirements when undertaking any activity on the System in furtherance of a trade, and has the capacity to settle all trades executed on or through the use of the System.
- 4. FEES AND CREDITS**
- (a) **Fees.** The Market Maker shall be obliged to pay fees and entitled to receive credits in accordance with Attachment B of this Market Maker Agreement in relation to the security to which it is acting as the Market Maker.
 - (b) **Invoicing.** Alpha shall, as an element of the invoice provided pursuant to the Member Agreement, invoice the Market Maker for all fees payable, or where applicable credits payable by Alpha, under this Market Maker Agreement. All fees payable, or credits earned hereunder will be aggregated with fees payable under the Member Agreement in a single invoice payable monthly.
- 5. GENERAL**
- (a) All capitalized terms not otherwise defined herein shall have the definition assigned for that term in the Member Agreement.
 - (b) **Notices.** All notices hereunder shall be provided herein in the same manner as described in the Member Agreement.
 - (c) **Laws governing.** This agreement shall be governed by the laws of the Province of Ontario and both parties unconditionally attorn to the
- exclusive jurisdiction of the courts of the Province of Ontario.
 - (d) **Amendments in writing.** No amendment to this Agreement shall be valid unless made in writing and signed by Alpha and the Market Maker.
 - (e) **Assignment of rights.** The Market Maker may not transfer or assign its rights and obligations hereunder without the prior written consent of Alpha. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
 - (f) **Execution in counterparts.** This Agreement may be executed in counterparts. Each executed counterpart may be delivered to the other party by facsimile and/or electronic file, and copies bearing the signature of a party will constitute a valid and binding execution and delivery of this Agreement.
 - (g) **Whole or partial invalidity.** The whole or partial invalidity of any provision of this Agreement shall not affect the validity of any other provision of this Agreement. If any provisions or conditions of this Agreement shall be held to be unenforceable by a court, or regulatory or self-regulatory authority, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein. To the extent permitted by law, the parties waive any provision of law that renders any provision of this Agreement invalid or unenforceable in any respect.
 - (h) **Natural Disasters.** Notwithstanding any other term or condition of this Agreement, neither Alpha nor the Market Maker Dealer shall be obligated to perform or observe its obligations undertaken in the agreement (except for obligations to make payments hereunder and regulatory obligations) if prevented or hindered from doing so by any circumstance found to be beyond its control, including industrial disputes of any nature, acts of nature, acts of a public enemy, acts of government, failure of telecommunications, software or hardware, sabotage, terrorism, lightning or electromagnetic disturbances, earthquake, flood, fire or other casualty and the other party will likewise be excused from performance of its obligations (other than timely payment of fees) to the extent such party's obligations relate to the performance so interfered with; provided that the party so affected uses its reasonable efforts to avoid or remove such causes of non-performance and shall resume performance hereunder with dispatch whenever such causes are removed.



- (i) Language. The parties confirm their express wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, annexes et autorisations s'y rattachant, soient rédigés en la langue anglaise seulement.
- (j) Effect of Termination. Termination of the agreement or the appointment of any Member as an Market Maker shall not terminate or negate any obligations of the Market Maker to complete or implement any transaction entered into prior to such termination or arising from or accruing from authorized activities of the Market Maker up to the effective time of termination.
- (k) Liability.
- (i) Except for Alpha's indemnity obligations hereunder, Alpha's entire aggregate liability arising from or related to this Agreement shall not exceed the sum of ten thousand dollars (\$10,000), even if such cause of action is continuing.
- (ii) In no event shall any of Alpha's related parties, affiliates, partners or any third party providers of any of Alpha's or such other entities officers, directors, employees or agents have any liability to the Market Maker under or related to this Agreement.
- (iii) This Section shall not exclude or restrict Alpha's liability for death or personal injury arising from either the negligence of Alpha or its officers, employees, agents, or partners, including where they are acting in the ordinary course of their duties. Such liability shall in no event exceed the sum of one million dollars (\$1,000,000).
- (iv) Money damages may both be incalculable and an insufficient remedy for any breach of the agreement by such party or its employees, agents or representatives and that any such breach would cause the other party irreparable harm. In the event of any such breach or threatened breach of the agreement, the other party shall be entitled to seek equitable relief, including by way of injunction and specific performance.
- (v) Neither Alpha or the Market Maker shall be liable, under any circumstances, for any indirect, incidental, reliance, special, punitive or consequential damages including, but not limited to, lost profits, lost opportunities, even if the applicable party has been advised of the possibility of such damages.
- (l) Disclaimers. All disclaimers and limitation herein shall apply regardless of the nature of any cause of action or demand (including, but not limited to breach of contract, breach of warranty, negligence, strict liability, tort or any other cause of action) and shall survive a fundamental breach or breaches and/or failure of the essential purpose of this Agreement or any remedy contained herein.
- (m) Indemnifications.
- (i) Alpha agrees to pay, either on its own behalf, or on behalf of a third party provider, subject to the limitations herein set forth, any losses, damages or expenses incurred by the Market Maker arising from any claim, suit or proceeding commenced by a third party alleging that there has been an infringement of any such third party's intellectual property rights resulting from the execution of this Agreement ("Infringement Claim"). The Market Maker agrees that Alpha shall be relieved of the foregoing obligations unless the Market Maker notifies Alpha promptly in writing of such claim, suit or proceeding and gives Alpha authority to defend and settle such proceeding as contemplated herein, and, at Alpha and/or third party's expense, as applicable, gives Alpha and/or third party provider proper and full information and assistance to settle and/or defend any such claim, suit or proceeding. Neither Alpha nor third party providers shall be liable for any costs or expenses incurred without their prior written authorization.
- (ii) The Market Maker will indemnify, defend, and hold Alpha, its related parties, subsidiaries, affiliates, partners, officers, directors and employees harmless of and from any demands, losses, claims, judgment, liabilities, actions, proceedings, penalties, damages, costs or suits (other than for Infringement Claims) that arise out of or relate to the violation of the terms of this Agreement by the Market Maker or its officers, employees, directors or agents. The Market Maker shall pay on demand all amounts due under this section.
- (n) Currency. Unless otherwise expressly specified, all amounts referred to herein shall be denominated in Canadian dollars.
- (o) Time of the Essence. Time shall be the essence of the agreement.



MARKET MAKER AUTHORIZATION AND DECLARATION	
Market Maker	
Name of Signing Officer	Title
Signature	Date

ALPHA EXCHANGE INC.	
Name of Signing Officer	Title
Signature	Date



Attachment "A" to the Market Maker Agreement – Trading Standards

STANDARD CRITERIA FOR CONTINUOUS TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
VOLUME TRADED AT ALPHA AS % OF TOTAL VOLUME TRADED IN ALL MARKETPLACES	•	•	•

STANDARD CRITERIA FOR AUCTION TRADING SESSION

LIQUIDITY LEVEL	Level 1	Level 2	Level 3
DAILY MINIMUM PARTICIPATION IN OPENING AUCTION TRADED VOLUME ON ALPHA	•	•	•
MAXIMUM OPENING FROM LISTED MARKET OPENING PRICE	•	•	•

Security Assigned: _____

Security Assigned: _____

Security Assigned: _____

Security Assigned: _____



Attachment "B" to the Market Maker Agreement – Fees

[NTD: If a Market Maker for an Alpha Other Traded Security meets the continuous trading criteria then it will receive credits on a per security basis. The credits will be applied to a defined dollar pool based on a formula. The credits will be earned over a period of a month.]

If the Market Maker for Other Traded Securities is in compliance with the minimum participation criteria and the maximum delta from the listed market opening price then the Market Maker will receive the following rebate for trades in the opening auction⁽¹⁾:

Trade Price/Share < \$1 Trade Price/Share >=\$1 & <5 Trade Price/Share >= \$5	
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Notes:

- 1) When the Market Maker is in compliance with its opening auction Market Maker obligations as set out in Attachment "A" to the Market Maker Agreement for the preceding month then it shall qualify for the fees set out in this schedule in respect to its assigned Alpha Other Traded Securities.

For all other fees on other trades please see the fees listed on Schedule 1 of the Member Agreement.

Odd-Lot Fees for the Market Maker of Alpha Other Traded Securities:

Transactional Fees	
Equity Trades	Fee/Share
Autoexecution - Exchange Traded Funds	
Trade Price/Share < \$1	
Trade Price/Share >=\$1	
Autoexecution - Other	
Trade Price/Share < \$1	
Trade Price/Share >=\$1 &<\$5	
Trade Price/Share >= \$5	
Note/Debenture Trades	Fee/\$1,000 par value
Autoexecution	

Notes

- 1) These fees are only payable in relation to trading activity conducted utilizing the specific trader identification (Trader ID) utilized for odd lot trading activity.
- 2) The fees (credits) in relation to the "Autoexecution" of trades by the Market Maker acting as the Odd Lot Dealer will be as set out under the "Autoexecution" sections.
- 3) These fees do not apply to any trading activity of the Odd-Lot Dealer except as referenced in Item (1) above.
- 4) The fees payable or credits receivable pursuant to the terms hereof shall be payable in accordance with the terms of the Market Maker Agreement and/or the Member Agreement. All amounts payable or credit earned hereunder shall be netted with all amount payable under the Market Maker Agreement and/or the Member Agreement.
- 5) For the purposes of this fee table, each \$1,000 par value of Debentures/Bonds traded will be treated as one Share (i.e. a \$100 par value Autoexecute will entitle the Odd-Lot Dealer to a credit of \$0.00031).

7.3.2 Publication



AVIS DE CONFORMITÉ

EN VERTU DE L'ARTICLE 22 DE LA LOI SUR LES INSTRUMENTS DÉRIVÉS

ACTUALISATION DE LA RÈGLE QUATRE DE LA BOURSE — ENQUÊTES, DISCIPLINE ET APPELS

ACTUALISATION DES RÈGLES CONCERNANT LE COMITÉ SPÉCIAL DE LA RÉGLEMENTATION

Le soussigné confirme que les modifications et, s'il y a lieu, les ajouts et les abrogations aux Règles, Politiques et procédures de Bourse de Montréal Inc. ont été apportés conformément à la *Loi sur les instruments dérivés* (L.R.Q., chapitre I-14.01).

FAIT à MONTRÉAL le 2 septembre 20 11 .

(s) Jacques Tanguay

Jacques Tanguay
Vice-président, Division de la réglementation
BOURSE DE MONTRÉAL INC.



AVIS DE CONFORMITÉ

EN VERTU DE L'ARTICLE 22 DE LA LOI SUR LES INSTRUMENTS DÉRIVÉS

ACTUALISATION DE LA RÈGLE CINQ DE LA BOURSE

RÈGLES DIVERSES

Le soussigné confirme que les modifications et, s'il y a lieu, les ajouts et les abrogations aux Règles, Politiques et procédures de Bourse de Montréal Inc. ont été apportés conformément à la *Loi sur les instruments dérivés* (L.R.Q., chapitre I-14.01).

FAIT à MONTRÉAL le 2 septembre 20 11 .

(s) *Jacques Tanguay*

Jacques Tanguay
Vice-président, Division de la réglementation
BOURSE DE MONTRÉAL INC.