



Kevan Cowan
President, TSX Markets and Group Head
of Equities, TMX Group.
The Exchange Tower
130 King Street West
Toronto, Ontario
M5X 1J2
416-947-4660
Kevan.Cowan@tmx.com

June 18, 2014

VIA EMAIL

Alberta Securities Commission
Autorité des marchés financiers
Financial and Consumer Affairs Authority (Saskatchewan)

Denise Weeres
Manager, Legal, Corporate Finance
Alberta Securities Commission
250-5th Street S.W.
Calgary, Alberta, T2P 0R4
denise.weeres@asc.ca

M^e Anne-Marie Beaudoin Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22^e etage
C.P. 246, tour de la Bourse Montréal (Québec) H4Z 1G3
consultation-en-cours@lautorite.gc.ca

Dear Sirs/Mesdames:

Re: Multilateral CSA Notice of Publication and Request for Comment – Proposed Amendments to National Instrument 45-106 - Prospectus and Registration Exemptions relating to the Offering Memorandum Exemption and, in Alberta, New Brunswick and Saskatchewan, Reports of Exempt Distribution.

TMX Group Limited (“TMX Group” or “we”) welcomes the opportunity to comment on behalf of its subsidiaries, Toronto Stock Exchange (“TSX”) and TSX Venture Exchange (“TSX Venture”) (each, an “Exchange” and collectively, the “Exchanges”) and on behalf of Shorcan Brokers Limited, the exempt market dealer responsible for the recently announced TSX Private Markets initiative, on the Multilateral CSA Notice of Publication and Request for Comment – Proposed Amendments to National Instrument 45-106 - *Prospectus and Registration Exemptions* relating to the Offering Memorandum Exemption and, in Alberta, New Brunswick and Saskatchewan, Reports of Exempt Distribution published by members of the Canadian Securities Administrators (“CSA”) on March 20, 2014 (the “Request for Comments”). Capitalized terms used in this letter and not specifically defined have the meaning given to them in the Request for Comments.

We recognize the importance of the exempt market for Canada, and are committed, along with the CSA and other industry participants, to ensure that the exempt market is both robust and fair to investors while providing the necessary opportunity for issuers to raise needed capital in a

timely and cost-efficient manner. We are therefore generally supportive of the CSA's efforts to address certain investor protection concerns through the Proposed Amendments. We would like to provide the following comments in respect of the Proposed Amendments to the OM Exemption for your consideration.

TMX Group continues to strongly support the harmonization of prospectus exemptions across all Canadian jurisdictions and is hopeful that the members of the CSA that have published the Request for Comment will work with the OSC and other members of the CSA to ensure that the Proposed Amendments relating to the OM Exemption will benefit all market participants, regardless of the jurisdiction of their lead regulator.

TMX Group is concerned that the OM Exemption will not be harmonized if it is implemented in Alberta, as proposed in the Request for Comment, and if it is implemented in Ontario, as proposed in the OSC's request for comment dated March 20, 2014 entitled "Introduction of Proposed Prospectus Exemptions and Proposed Reports of Exempt Distribution in Ontario" (the "OSC RFC").

In particular, we are concerned that the lack of harmonization between the Proposed Amendments and those in the OSC RFC surrounding: (a) the asset test used to characterize an investor as an "eligible investor" (please see below for a further discussion of our concerns about this feature); (b) the requirement proposed in the OSC RFC for issuers to provide certain material change-style reports to investors within 10 days of an occurrence of an event triggering a report; and (c) differences pertaining to the risk acknowledgement form to be executed by investors, may add significant cost and complexity for companies that wish to distribute securities across CSA jurisdictions that include Ontario.

Additionally, we do not believe that the proposed individual investor limits under the OM Exemption found in both the Proposed Amendments and the OSC RFC are necessary or desirable. Because investors under the OM Exemption will be provided with a substantive disclosure document and have rights of action and withdrawal to rely on, individual investors under this exemption will have rights similar to those given to investors buying under a prospectus, under which there are no investment limits. The investor protection measures afforded by these features of the OM Exemption provide investor protection measures greater than those under most other exemptions and as such, we do not believe that limits on what individuals can invest under the OM Exemption are necessary. Additionally, we believe that such limits may deter the use of this exemption to raise capital. We have made the same comment to the OSC regarding the proposed individual investor limits under the OSC's proposed offering memorandum prospectus exemption.

We further note that British Columbia, New Brunswick, Nova Scotia and Newfoundland and Labrador do not have, nor do they propose to impose, any such individual investment limits.

Even slight differences between CSA jurisdictions can increase compliance challenges, costs and confusion if companies wish to use the OM Exemption in more than one province or territory. Undue complexity across Canadian jurisdictions may serve to deter issuers, particularly SMEs, from using the OM Exemption to raise funds. We strongly encourage collaboration with all CSA jurisdictions on the OM Exemption, and on all prospectus exemptions, in order to implement one harmonized regime for exempt market capital raising.

Thank you for the opportunity to provide our comments on the Proposed Amendments, the companion policy, forms and consequential amendments. We would be pleased to discuss our comments further at your convenience.

Yours truly,

A handwritten signature in black ink that reads "Kevan Cowan". The signature is written in a cursive style with a large, sweeping initial 'K' and a long, horizontal tail for the 'n'.

Kevan Cowan
President, TSX Markets and Group Head of Equities, TMX Group