



# Notice to Participating Organizations, Members and Subscribers

April 24, 2014

2014-014

I : TMX Group equity exchanges confirm the QST treatment on trading execution fees

In February 2011, TMX Group (TMX) notified all Participating Organizations, of both Toronto Stock Exchange (TSX) and TSX Venture Exchange (TSXV), that they will cease charging HST/GST and QST on all trading execution fees\*. As well, TMX Select, which began operations in July 2011 has never charged HST/GST or QST on its trading execution fees\*.

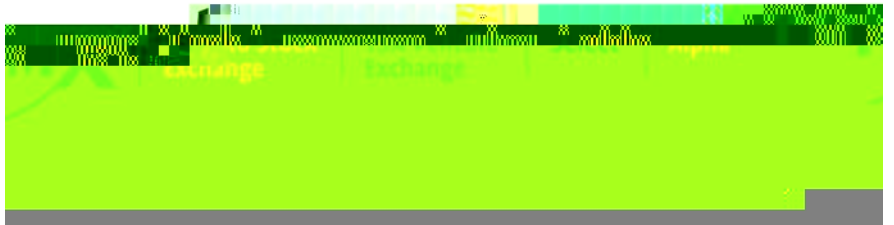
During 2011, TMX submitted tax ruling requests to the Canada Revenue Agency (CRA) and Revenue Quebec (RQ) on behalf of all three marketplaces asking that CRA and RQ confirm that trading execution fees charged by TSX, TSXV and TMX Select are exempt financial services for the purposes of the Excise Tax Act and the Québec Sales Tax Act.

During September 2013, TMX informed you that it had received the requested rulings from CRA confirming that trading execution fees are exempt financial services and thus are not subject to HST/GST. Further, we informed you that, at that time, we had yet to receive the rulings from RQ and that we would update you once we received the respective rulings.

As an update to our September 2013 communication, we have now received the rulings from RQ. RQ has confirmed that trade execution fees will not be subject to QST as the trade execution fees related to listed securities are consideration for the supply of a financial service since they constitute consideration for arranging for the transfer of a financial instrument.

RQ has provided the following reference number for your records 11-012477-001. Please note this reference number covers each of TSX, TSXV and TMX Select.

\* TMX Group will continue to apply HST/GST and QST where applicable on all application fees



About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets and clearinghouses for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange,