

Notice to Participating Organizations and Members



June 22, 2010

2010-019

Functional Enhancement Notice Icebergs and Market on Close (“MOC”)

TSX is pleased to announce the following enhancements that are planned for production Friday, August 13th 2010 (available for testing on July 22nd 2010).

Reducing iceberg minimum to 1 board lot:

TSX and TSX Venture Exchange will reduce the minimum acceptable display quantity for Iceberg Orders to a single board lot. Currently the minimum display quantity for icebergs is 500 shares. This change means that stocks trading in lots of 100 will now accept icebergs that show as little as 100 shares. This parameter change is in response to market participant feedback that a lower minimum is desirable because the average trade size on both markets has decreased significantly over the past few years. Stocks trading in board lot sizes of 500 and 1000 shares respectively will still need to send a minimum of one board lot to satisfy the underlying principle of an Iceberg order entry. Icebergs were first introduced with a minimum display of 2000 on TSX in 2002 and on TSX Venture in 2005 this minimum display requirement was reduced to 500 on October 27th 2007.

Publishing MOC trades immediately at 4:00pm (unless price delays):

Effective Friday, August 13th 2010, TSX will publish MOC trades immediately at 4:00pm rather than hold those trades until 4:10pm as is currently the case. Eliminating the unnecessary delay in MOC trade reporting does not change any other MOC functionality including the price movement extension (PME). MOC securities at 4:00pm that breach the 3% price tests will continue to trigger a 10 minute extension for offsetting blind limit orders in which case the trades for those specific MOC securities will still publish at 4:10pm. Only MOC securities that do not breach the 3% price volatility tests at 4:00pm will publish the MOC trades immediately at 4pm. This trade reporting change is in response to market participant feedback. TSX continues to engage customers in a discussion about MOC and will advise all participants of future enhancements at the conclusion of the analysis.

About MOC: MOC is a blind closing call auction primarily for S&P Index related TSX listed securities. Hidden unpriced orders are entered up to 3:40pm when the imbalance is published. Hidden limit orders are entered after 3:40pm and will satisfy the imbalance along with regular limit orders at 4:00pm in a single closing price. An extension to the MOC imbalance session (to 4:10) occurs only when the MOC closing price breaches the 3% parameter relative to both the 20 minute VWAP and the last continuous trade before 4:00pm.

Participating Organizations should contact their account managers with any questions.

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About TMX Group (TSX-X)

TMX Group's key subsidiaries operate cash and derivative markets for multiple asset classes including equities, fixed income and energy. Toronto Stock Exchange, TSX Venture Exchange, Montreal Exchange, Natural Gas Exchange, Boston Options Exchange (BOX), Shorcan, Equicom and other TMX Group companies provide trading markets, clearing facilities, data products and other services to the global financial community. TMX Group is headquartered in Toronto with offices in Montreal, Calgary and Vancouver. For more information about TMX Group, visit our website at www.tmx.com.