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June 16, 2011

Dear Sir/Madam:

Re: Proposed Amendments to NI 21-101 *Marketplace Operation* and NI 23-101 *Trading Rules* (the “Proposed Amendments”)

TriAct Canada Marketplace LP (“TriAct”) is pleased to have the opportunity to comment on the TMX Select Inc. Notice of Initial Operations Report and Request for Feedback.

TriAct (a wholly-owned subsidiary of ITG Canada Corp.) is an Alternative Trading System that operates MATCH NowSM, Canada’s leading dark pool for Canadian listed securities. MATCH Now is a broker-neutral, fully confidential trading book where order information is not visible to other traders and buy and sell orders are matched using a combination of frequent call matches and continuous execution opportunities.

We do, however, have some concerns with the Proposed Amendments, which are expressed below.

Marketplace Reporting Requirements

We support the reduction of the notice period for proposed fee changes, from 45 to 7 days, however we believe that if there is a clear and undeniable fee decrease, the marketplace should be allowed to pass on that benefit immediately upon two conditions:

1. that the regulator acknowledges that the F2 filing provides a fee decrease and members or subscribers have been notified; and

2. If the fee change does provide a fee decrease then the principal regulator should have 7 days to review.

We would like clarification on the reporting requirements for technological changes that do not impact member or subscriber access or systems. We would suggest that there should be no requirement to delay implementation for 45 days when there are hardware upgrades and “bug” fixes even if these changes are submitted as part of a F2 notice.

Financial Reporting

We support the proposed financial reporting requirements.

Marketplace Rules

We believe the CSA should re-consider approvals that allowed for restricted access to marketplaces based on a class of investor as this appears to be in conflict with stated objectives for fair access.

If restrictive business models are to be accommodated under the Proposed Amendments, the market integrity implications of such restrictions should be closely examined, and the term “fair access” must be more clearly defined to describe how it will be applied.

Information Transparency Requirements for Marketplaces Dealing in Exchange-Traded Securities

We continue to disagree that there is a public interest or market integrity need for a minimum size requirement for dark orders. The proposed amendments failed to demonstrate or provide evidence that imposing a minimum size requirement is the appropriate regulatory solution to address the anticipated harm to price discovery if dark orders and dark pools increase market share from current levels. We believe that dark orders and dark pools provide valuable alternatives to the transparent markets to achieve best execution by offering price improvement and minimizing market impact for large and small orders.

We agree with the principle that if a marketplace provides non-public order information to one marketplace SOR operated by an affiliate or otherwise, then the same information should be made available all providers of SOR technology. In essence, the information would no longer be private information but could be communicated as confidential information to avoid requiring transparency.

Use of IOIs

We agree with the additional guidance on IOIs. We support the requirement that if an IOI is sent to one SOR that it should be made available to all SORs. In addition, there needs to be clarification in the companion policy on what would define reasonable and fair access to IOIs by providers of SOR technology. The IOI provider should be able to restrict the use or the redistribution of confidential information so long as any restrictions are consistently applied to all SORs.

Transparency of Marketplace Operations

We support the proposed disclosure requirements applicable to ATs, QTRSs and Exchanges. We however have some concerns that there is no provision where marketplaces can designate certain

details of their operations reported in an F2 to the regulator as confidential to protect intellectual property.

Other Requirements Applicable to Marketplaces

Conflicts of Interest

We agree with the proposed requirements relating to the disclosure of existing material conflicts of interest.

Outsourcing

We agree that there should established procedures regarding the selection and monitoring of outsourcing arrangements. We believe that any such rules related to outsourcing need to be principles based.

Notification of Threshold by ATSS

We believe it is unnecessary to explicitly require separate reporting against a threshold since ATSS already provide this information to IIROC for surveillance.

Requirements for Information Processors

We agree that there should be the enhanced disclosures required by firms that hold themselves out as an Information Processor.

Thank you for this opportunity to comment. If you have any questions, please do not hesitate to contact me.

Sincerely,



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