



Aligning Business and Technology

August 25, 2014

Market Regulation Branch
Ontario Securities Commission
20 Queen Street West, 20th Floor
Toronto, ON, M5H 3S8

To Whom it May Concern,

Re: OSC Notice and request for comments regarding the application for recognition of Aequitas Innovations Inc. and Aequitas Neo Exchange Inc. as an exchange.

I am writing on behalf of Flexity Solutions which is a company that provides solutions for enhancing business efficacy through information technology. As the President and Chief Executive Officer of such a company, I am well aware of the role technology plays in today's markets. I am pleased to have the opportunity to provide my comments on the Application for Recognition of the Aequitas Neo Exchange (Aequitas Exchange) as an exchange.

The capital market's structure in Canada is in need of innovation aimed at restoring stability and investor confidence. Electronic market platforms were designed to foster competition and improve access. It is now evident that such platforms have given rise to a dominant class of short-term traders, and results in high frequency trades (HFTs). HFTs enable predatory trading strategies that undermine the quality of capital markets, and the ability for longer term investors and issuers to participate meaningfully.

We believe that the Aequitas Exchange proposes strategies that will address these issues. Speed-driven trades are encouraged by the electronic functionality available on existing exchange platforms. The Aequitas Exchange has proposed to implement technology to counter HFTs by imposing "speed bumps" that ensure long term investor bids are given the same chance to compete as those traders who use speed-leveraged strategies. We believe this will improve the quality of trades by allowing the longer term investors to help display more accurate liquidity in the market.

The Aequitas Exchange would provide the Canadian market with a new kind of opportunity to invest in a capital formation process that discourages the kind of behaviour that has undermined stability in other capital markets. This vision is supported with appropriate technological tools for the end user.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Stavropoulos', is written over a light blue grid background.

Peter Stavropoulos
President & Chief Executive Officer
FlexITy Solutions Inc.