



August 26, 2014

Market Regulation Branch  
Ontario Securities Commission  
20 Queen Street West  
20<sup>th</sup> Floor  
Toronto, Ontario  
M5H 3S8  
[marketregulation@osc.gov.on.ca](mailto:marketregulation@osc.gov.on.ca)

Dear Sir/Madame:

**Re: Aequitas Innovations Inc. and Aequitas Neo Exchange Inc.**

I am currently the General Counsel of Pacific Rubiales Energy (PRE.TO), as well as two other listed companies, and have worked in the securities field for over 26 years, the last 18 in-house with various public companies.

As a part of the management team of a listed company, I do not have direct knowledge of the inner workings of stock exchanges. What I am interested in is how the exchanges serve the interests of issuers. I understand that Aequitas will seek to improve the experience of listed companies, and so am generally supportive of the Aequitas application.

The first issue is trading and dealing in our stock. Generally, any proposal from an exchange that is aimed at increasing liquidity and connecting issuers with long-term investors is positive for issuers. As I understand it, Aequitas is proposing to minimize the involvement of intermediaries in the stock (i.e. the so-called HFT traders). One of the effects of this shift will be to help revitalize the sales and research function of the dealer community, and position them to better serve the issuer and investor community. Aequitas also proposes to support liquidity through a comprehensive market-making. We see these as positive developments for issuers.

The second issue is the financial and management resources that are needed to maintain a listing. Aequitas has stated that it will have competitive listing fees and offer a more stream-lined approach to the listings process. Having a choice of listing venues will no doubt put pressure on all exchanges to compete for new and existing listings and help drive down fees and improve the user experience. We see this as a positive development for issuers that will hopefully result in reduced financial cost and management time spent on the listing, so that more resources can be focused on running the business.



Finally, the fact that some of Canada's largest pension funds and mutual fund institutions are active shareholders of Aequitas is compelling, and demonstrates that Aequitas is committed to achieving its long-term goals of improving the Canadian financial markets.

Should you require any further information, you may contact me either by email at [pvolk@pacificrubiales.com](mailto:pvolk@pacificrubiales.com) or by phone at +1(416) 360-4653 ext. 223.

Sincerely,



Peter Volk  
General Counsel