

INTRODUCING TSX NAVex™

TSX NAVex is a new platform that enables IIROC dealers to purchase and redeem eligible mutual funds through the infrastructure of Toronto Stock Exchange (TSX). The platform will provide streamlined processing and central clearing of mutual funds, similar to the trading of stocks and Exchange Traded Funds (ETFs). Through TSX NAVex, fund manufacturers will have the opportunity to offer actively managed products to the rapidly growing discretionary and fee-based advice channels. To ensure TSX NAVex is the best solution to meet the needs of the mutual fund industry and its clients, the platform is being designed in close collaboration with a broad range of industry representatives.

BRINGING MUTUAL FUNDS TO CANADA'S MOST CONNECTED MARKET

TSX is the largest equities market in Canada. It is an iconic and trusted brand, with 160+ years of history serving Canadians and the investment industry, and with a proven track record in building and operating new and innovative markets.

At the heart of our nation's capital markets, TSX is connected to all participants trading Canadian securities. With connectivity to over 35,000 advisors and a broad domestic and global investor base, TSX serves as the optimal access point for investment opportunities in Canada.

TSX provides innovative, resilient and fully integrated services for the exchange of financial products, and our clients benefit from the system's efficiency, visibility and ease of access. By leveraging this entrenched infrastructure, TSX NAVex will provide unparalleled benefit to the mutual fund industry and seamless service to TSX-connected dealers.

FEATURES OF TSX NAVEX

- Platform for purchasing and redeeming of mutual funds from the manufacturer (no matching of buyers and sellers)
- Accessible through dealers' existing connections to TSX
- Transaction price based on the end-of-day NAV
- Inherent support for bulk trading
- Fund ticker symbols distributed publicly alongside stocks and ETFs
- Guaranteed settlement through CDS

BENEFITS TO INVESTMENT ADVISORS

- Ability to bulk trade mutual funds from existing order management platforms
- Provides greater product options to meet diverse client needs and investment objectives
- Ready access to low-cost actively managed products

BENEFITS TO IIROC DEALERS

- Streamlined processing of stocks, ETFs and mutual funds
- Reduced operational risk associated with bulk trading
- Single point of access to a broad range of fund products from a variety of manufacturers
- Assets are held in the dealer's name which can positively impact their collateral position at CDS
- Mutual fund settlement transactions will be consolidated with a dealer's equity and debt settlement obligations resulting in a single cash settlement for all security types

BENEFITS TO FUND MANUFACTURERS

- Opens distribution to discretionary and fee-based advice channels
- Brings the unique benefits of an exchange-traded model to mutual funds
- Omnibus account structure reduces fund management costs

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