



Via Email

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And

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Dear Sirs/Madames,

RE: TSX Notices 2016-035 and 2017-014 – Publication of Insider Trading Reports

We are writing in response to a request for comment made in Toronto Stock Exchange ("TSX") notice 2016-035 on December 20, 2016, as well as notice 2017-014 issued May 15, 2017. Both notices deal with possible market integrity issues related to the Required Insider Report ("RIR"). We appreciate the opportunity to comment on this issue.

We have reviewed both notices and feel it is appropriate to take this opportunity to voice our opinion on this subject, as our opinion contrasts those of other stakeholders. Specifically, we feel the RIR provides value to investors of junior listed equities, including those traded on the TSX Venture Exchange.

Leede Jones Gable ("LJG") is a full-service dealer headquartered in Calgary. A large part of our business is trading and advising clients on junior listed equities. The RIR is used by traders and advisors of LJG to monitor movements made by insiders of junior listed securities. Sales and purchases by an insider of a junior listed equity can be considered a material event, and the only mechanism in place that immediately reports this event is the RIR.

Question 1: Are the Required Insider Reports useful for investors? If so, please explain why they are useful and how the Required Insider Reports are used.

The RIR is very useful for investors as trading by insiders may have a material impact on the price of a junior listed security. The RIR provides the timeliest information on trading by insiders of a corporation, and allows investors to react in a much timelier manner than waiting for SEDI filings five days after the fact.

Question 2: Does the public dissemination of the Required Insider Reports on an end-of-day basis result in the potential harms to large securityholders of issuers identified above? Are there other concerns and issues we have not identified?

Although the RIR may potentially harm large security holders, trades by large security holders are a material event and should be reported in the timeliest fashion possible.

Question 3: Should information regarding trading by insiders continue to be provided through the Required Insider Reports on a more timely basis than is currently publicly available through SEDI? If it should be delayed from the current end-of-day reporting, what length of delay is appropriate to balance between any benefits and issues associated with the current end-of-day reporting? For example, would delaying publication until T+3 achieve that balance?

The RIR should be provided on the timeliest possible basis, and certainly on a more timely basis than SEDI, in order to ensure that material information is made available to all investors as promptly as possible.

Question 4: If the Required Insider Reports are considered to be valuable to the public, do you agree that similar information should also be made available from all marketplaces? How would this be best achieved? Is there a benefit to having the information be provided on a consolidated basis?

We believe all marketplaces should provide similar information, as the current structure allows insiders to trade on other exchanges without this information becoming public. This would be best achieved by the order being extended to all Canadian exchanges.

The current report is provided in a txt file. The benefit to having a consolidated report is that the user would not need to manually calculate buy and sell volumes, which could take a lot of time to do daily.

Before any decision is made by the securities commissions, we feel it is appropriate for the commissions to put out a further request for comment with a deadline of at least 60 days. This ensures all stakeholders are aware of this issue and have an appropriate amount of time to respond to the issue.

We appreciate the opportunity to make comment on this issue, as well as your attention to our letter. If you have any questions, please do not hesitate to contact us.

Sincerely,
Leede Jones Gable Inc.

Jason Jardine, CPA, CA
Manager, Regulatory & New Initiatives

Cc. Jim Dale, CEO, Leede Jones Gable Inc.
Richard Carter, Senior Vice-President, General Council, Leede Jones Gable Inc.
Lynn Tsutsumi, Director, Market Regulation, Alberta Securities Commission
Mark Wang, Director, Market Regulation, British Columbia Securities
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