

For Immediate Release
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Canadian securities regulators and CIRO provide update on SEC adopting amendments to rules regarding minimum pricing increments and trading fee caps

Toronto – The securities regulatory authorities of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Nunavut, Northwest Territories and Yukon and the Canadian Investment Regulatory Organization (CIRO) today provided an update on their work related to the recent rule changes announced by the United States Securities and Exchange Commission (SEC). These rule changes follow the SEC consultations launched on December 14, 2022, on four proposals to change certain fundamental elements of U.S. market structure (**SEC Proposed Amendments**).

On September 18, 2024, the [SEC announced its final rules](#) with respect to two elements of the SEC Proposed Amendments, specifically (i) minimum pricing increments applicable to all trading and quoting of National Market System (NMS) stocks equal to or greater than USD \$1.00 per share, and (ii) reduced access fee caps for NMS stocks (together, **SEC Final Rules**). At the same meeting, the SEC approved rules regarding transparency of certain odd-lot orders. The SEC Final Rules will come into force on November 3, 2025.

Following the announcement of the SEC Proposed Amendments, the Canadian Securities Administrators (CSA) and CIRO commenced a process to consider their impact on the Canadian equity market structure, and in October 2023, proactively sought feedback from stakeholders in joint CSA/CIRO Staff Notice 23-331. Twelve comment letters were received; a [summary of comments](#) is available.

With respect to the SEC Final Rules, commenters were generally of the view that, given the interconnectedness of U.S. and Canadian equity markets, Canadian trading increments for inter-listed securities, contained in CIRO's Universal Market Integrity Rules (**UMIR**), should be harmonized with the finalized SEC minimum pricing increments. Commenters also supported harmonizing Canadian equity trading fee caps, contained in National Instrument 23-101 *Trading Rules*, with those finalized by the SEC.

The participating securities regulatory authorities and CIRO are currently finalizing work on their respective rule amendments and will publish them for comment. This is to ensure trading in Canadian inter-listed securities remains competitive, in light of the adoption of the SEC Final Rules.

With respect to the SEC Final Rules regarding transparency of certain odd-lot orders, commenters expressed little support for a similar change in Canada as such information is already sufficiently available. Accordingly, the CSA and CIRO are not considering changes to transparency rules at this time.

The British Columbia Securities Commission did not participate in this media advisory due to publication restrictions related to the upcoming B.C. provincial election.

The CSA, the council of the securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

CIRO is the pan-Canadian self-regulatory organization that oversees all investment dealers, mutual fund dealers and trading activity on Canada's debt and equity marketplaces.

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