

**Joint Canadian Securities Administrators/Investment Industry  
Regulatory Organization of Canada**  
**Staff Notice 23-319**  
*Internalization in the Canadian Market*

**December 5, 2017**

Staff of the Canadian Securities Administrators and the Investment Industry Regulatory Organization of Canada (collectively we, or Staff) are aware of concerns among certain stakeholders that raise issues about internalization of order flow.

In light of these concerns and our own concerns, we are gathering information in order to understand current practices and how these activities fit into our current rule framework, and in order to determine what, if any, action is required to ensure that the Canadian market is not negatively impacted.

The TMX Group intends to bring together a group of stakeholders to discuss the issues in an industry roundtable. We support the efforts by industry to engage in dialogue about important issues in the Canadian market, and the opinions presented and ideas generated will be a valuable input to our review.

The issues are complex and there are a variety of factors that must be considered. We will continue to explore these issues and seek public consultation in the coming months.

Questions may be referred to:

<p>Kent Bailey Ontario Securities Commission kbailey@osc.gov.on.ca</p>	<p>Serge Boisvert Autorité des marchés financiers serge.boisvert@lautorite.qc.ca</p>
<p>Sasha Cekerevac Alberta Securities Commission sasha.cekerevac@asc.ca</p>	<p>Bruce Sinclair British Columbia Securities Commission bsinclair@bsec.bc.ca</p>
<p>Kevin McCoy IIROC kmccoy@iiroc.ca</p>	