

TMX GROUP LIMITED

**ANNUAL
INFORMATION
FORM**

March 28, 2019

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¹ As indicated, parts of TMX Group Limited's audited annual consolidated financial statements for the year ended December 31, 2018 ("2018 Annual Financial Statements") and management's discussion & analysis for the year ended December 31, 2018 ("2018 Annual MD&A") are incorporated by reference into this annual information form ("AIF"). The 2018 Annual Financial Statements and the 2018 Annual MD&A are available on SEDAR at www.sedar.com or on our website at www.tmx.com.

Unless otherwise noted, the information contained in this annual information form is given as at February 28, 2019, and all dollar amounts are expressed in Canadian dollars, unless otherwise indicated.

CORPORATE STRUCTURE

Name, Incorporation and Address

TMX Group Limited (referred to, with its consolidated subsidiaries, as the context requires, as “TMX Group”, “we”, or “us”), originally called Maple Group Acquisition Corporation, was incorporated under the *Business Corporations Act* (Ontario) (“OBCA”) on April 28, 2011 to acquire all of the issued and outstanding common shares of TMX Group Inc., then a public company, while preserving a publicly-traded exchange and clearing group focused on the Canadian capital markets. The two-step acquisition of TMX Group Inc. was completed on September 14, 2012.²

The original investors in TMX Group included four of Canada’s largest public pension funds, four Canadian bank-owned investment dealers or their affiliates, Canada’s largest financial cooperative group, a leading Canadian-based global financial services group and a Québec-based development capital investment fund.

On August 1, 2012, we completed the acquisition of The Canadian Depository for Securities Limited (“CDS”) and its subsidiaries and the acquisition of Alpha Trading Systems Inc. and its subsidiaries. Alpha Trading Systems Inc. and its subsidiaries have subsequently reorganized into Alpha Exchange Inc. as set out in Appendix A of this AIF.

On August 10, 2012, we amended our articles of incorporation to change our legal name to “TMX Group Limited / Groupe TMX Limitée”.

On December 13, 2017, TMX Group Inc. amalgamated with TMX Group Limited under the OBCA as part of a broader initiative to simplify our corporate structure by reducing the number of legal entities within our enterprise. The entity resulting from such amalgamation was named “TMX Group Limited”.

On December 14, 2017, we completed the acquisition of London-based Trayport Holdings Limited, its subsidiaries and its U.S.-based affiliate, Trayport Inc. (collectively, “Trayport”).

Our head and registered office is located at 300 - 100 Adelaide Street West, Toronto, Ontario, M5H 1S3. We also have offices in Montréal, Calgary, Vancouver, New York, London, United Kingdom and Singapore. Our website is www.tmx.com. We are not incorporating information contained on our website in this AIF.

Intercorporate Relationships

Information about the intercorporate relationships among TMX Group and its principal subsidiaries is provided in Appendix A of this AIF.

² In May 2011, we made a non-binding written proposal to acquire TMX Group Inc. On June 13, 2011, we made a formal offer, as subsequently varied and extended (the “Maple Offer”), to purchase a minimum of 70% to a maximum of 80% of the outstanding common shares of TMX Group Inc. for \$50.00 in cash per TMX Group Inc. share. The Maple Offer was part of an integrated acquisition transaction to acquire 100% of TMX Group Inc.’s outstanding common shares (the “Maple Transaction”) involving the first step Maple Offer followed by a second step share exchange transaction pursuant to a court-approved and shareholder-approved plan of arrangement (the “Subsequent Arrangement”) under which the remaining TMX Group Inc. shares (other than those held by TMX Group) were exchanged for common shares of TMX Group on a one-for-one basis. On September 14, 2012, we completed the second step Subsequent Arrangement and TMX Group Inc. became a wholly-owned subsidiary of TMX Group and subsequently amalgamated with TMX Group on December 13, 2017.

GENERAL DEVELOPMENT OF THE BUSINESS³

TMX Group operates global markets, and builds digital communities and analytics solutions that facilitate the funding, growth and success of businesses, traders and investors. TMX Group's key subsidiaries operate cash and derivatives markets and clearinghouses for multiple asset classes including equities, and fixed income. Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, CDS, Montréal Exchange Inc. ("MX" or "Montréal Exchange"), Canadian Derivatives Clearing Corporation ("CDCC"), Trayport, and other TMX Group companies provide listing markets, trading markets, clearing facilities, depository services, technology solutions, data products and other services to the global financial community.

In 2015, we engaged in a comprehensive review of our portfolio of assets and an in-depth strategic review of the organization to establish our strategy going forward. We developed a strategic direction and execution plans to transform the organization from a regional infrastructure provider to a global technology solutions provider.

In 2016, we created leverage in our organizational structure by advancing beyond a group of companies to an integrated organization. We identified businesses that were core to our strategy, and sold certain non-core businesses in 2016 and 2017. We also announced a realignment of the organization that helped us achieve operational and cost efficiencies.

In 2017, we completed the acquisition of Trayport which transformed our revenue mix, and accelerated our global growth.

Our business is principally organized into the following areas: Capital Formation; Equities and Fixed Income Trading and Clearing; Derivatives Trading and Clearing; and Global Solutions, Insights and Analytics (which includes TMX Datalinx (information services), TMX Insights (analytics), Co-location and Trayport).

A description of TMX Group's operating segments and information on our mission, initiatives, vision, corporate strategy, regulatory changes impacting our businesses, market conditions, and the impact certain macroeconomic factors may have on our business is located in the **"Mission, Client First Vision and Corporate Strategy"**, **"Initiatives and Accomplishments"**, **"Regulatory Changes"**, **"Market Conditions and Outlook"** and **"Our Business"** sections on pages 2 to 3, 4 to 7, 7 to 8, and 8 to 20 of our 2018 Annual MD&A, and Notes 3, 4 and 6 of our 2018 Annual Financial Statements, which are incorporated by reference into this AIF.

NARRATIVE DESCRIPTION OF THE BUSINESS⁴

Our Business Operations

A description of the operations, revenues and results of operations of our Capital Formation, Equities and Fixed Income Trading and Clearing, Derivatives Trading and Clearing, and Global Solutions, Insights and

³ The **"General Development of the Business"** section contains certain forward-looking information. Please refer to **"Caution Regarding Forward-Looking Information"** on pages 28 to 30 of this AIF for a discussion of assumptions, risks and uncertainties related to such statements.

⁴ The **"Narrative Description of the Business"** section contains certain forward-looking information. Please refer to **"Caution Regarding Forward-Looking Information"** on pages 28 to 30 of this AIF for a discussion of assumptions, risks and uncertainties related to such statements.

Analytics operating segments, including a description of our products and services, business strategies, pricing, competition and fee regulation, as applicable, can be found in the ***“Our Business”***, ***“Results of Operations”***, ***“Liquidity and Capital Resources”***, ***“Critical Accounting Estimates”***, ***“Select Annual Financial Information”***, ***“Quarterly Financial Information”***, ***“Enterprise Risk Management – Risks and Uncertainties – Strategic Risks – Competition Risk”*** and ***“Enterprise Risk Management – Risks and Uncertainties – Legal & Regulatory Risk”*** sections on pages 8 to 20, 21 to 35, 36 to 42, 47 to 49, 50 to 51, 52 to 56, 57 to 59, and 66 to 70 of our 2018 Annual MD&A and in Notes 3, 4, 5, 6, 12 and 17 of our 2018 Annual Financial Statements, which are incorporated by reference into this AIF.

Regulatory Matters

Different organizations regulate or monitor participants in the Canadian capital markets including issuers, brokerage firms, exchanges, alternative trading systems (“ATs”), clearing houses and inter-dealer brokers. Securities and other regulators regulate the activities of our marketplaces and clearing houses. Self-regulatory authorities, such as the Investment Industry Regulatory Organization of Canada (“IIROC”), regulate the activities of brokerage firms and their capital requirements, as well as their business and trading conduct. IIROC is the self-regulatory organization (“SRO”) that provides regulation services to Toronto Stock Exchange, TSX Venture Exchange and TSX Alpha Exchange, monitoring and enforcing compliance with universal market integrity rules.

Toronto Stock Exchange and TSX Venture Exchange also establish standards for their listed issuers to maintain quality marketplaces and investor confidence. Each of Toronto Stock Exchange and TSX Venture Exchange has established standards for listing issuers and enforce compliance with those standards through the exchange’s powers to halt trading in a security or to suspend or delist the listing of a security. In addition, the Alberta Securities Commission (“ASC”) and the British Columbia Securities Commission (“BCSC”) have required TSX Venture Exchange to review and approve certain prospectuses filed by issuers listed on TSX Venture Exchange.

Recognition and Regulation of Exchanges, Clearing Houses, Transfer Agency and Corporate Trust Business

TSX Inc. (which operates Toronto Stock Exchange), TSX Venture Exchange Inc. (which operates TSX Venture Exchange) and TMX Group are all regulated as exchanges in Canada. TMX Group is also regulated as a clearing house in Québec, and TMX Group is subject to certain terms and conditions of its affiliates’ regulatory framework as set out below. TSX Inc. is also regulated as an information processor by the Autorité des marchés financiers (Québec) (the “AMF”), the Ontario Securities Commission (the “OSC”) and the Financial and Consumer Affairs Authority (Saskatchewan) and operates as an information processor in accordance with a determination made by the Canadian Securities Administrators (“CSA”) Chairs. Alpha Exchange Inc. (which operates TSX Alpha Exchange) is regulated as an exchange in Canada; however, it does not carry on any listing activity. In Canada, an exchange can regulate its markets and its participants and enforce its requirements either directly or through a regulation services provider.

Montréal Exchange is regulated as an exchange and a SRO in Canada. MX is registered as a foreign board of trade (FBOT) in the U.S. with the U.S. Commodity Futures Trading Commission (“CFTC”). In the United Kingdom, the Financial Conduct Authority granted comfort to MX to allow remote access to its futures and options products to “authorized persons” in the United Kingdom. In France, the Autorité des marchés financiers (France) recognized MX as a recognized foreign market. MX may also undertake certain

activities in Israel subject to the conditions listed in a no-action letter issued by the Israel Securities Authority.

CDCC is regulated as a clearing house or clearing agency in Canada. CDCC must abide by the terms of recognition orders issued by the AMF, the BCSC and the OSC and a regulatory oversight agreement with the Bank of Canada (“BOC”). CDCC is also subject to regulatory requirements of the U.S. Securities and Exchange Commission (the “SEC”) and various U.S. state securities regulators. CDCC is also recognized by the European Securities and Markets Authority as a foreign clearing house under the European Market Infrastructure Regulation.

CDS and CDS Clearing and Depository Services Inc. (“CDS Clearing”) are also regulated as clearing houses or clearing agencies in Canada and must abide by the terms of recognition orders issued by the AMF, the BCSC and the OSC. CDS and CDS Clearing are exempt from recognition by order of the ASC, and are subject to a regulatory oversight agreement with the BOC.

CDSX, the multilateral clearing and settlement system operated by CDS Clearing, and Canadian Derivatives Clearing Service, operated by CDCC, have each been designated by the BOC as being of systemic importance under the *Payment Clearing and Settlement Act* (Canada). Under such designation, the BOC has broad powers relating to the regulation and oversight of CDS Clearing and CDCC. For example, any significant changes to governance, structure, or CDS Clearing’s or CDCC’s relationship to marketplace participants is subject to the prior review and approval by the BOC.

Pursuant to National Instrument 24-102 – *Clearing Agency Requirements*, CDS, CDS Clearing and CDCC must observe the principles for financial market infrastructures (“PFMIs”) issued jointly by the Committee on Payments and Market Infrastructures and the Technical Committee of the International Organization of Securities Commissions.

CDS Clearing and CDCC were declared, through a notice issued jointly by the BOC, the OSC, the AMF, the ASC, the BCSC and the Manitoba Securities Commission, to be qualifying central counterparties under the standard on the capital treatment of certain bank exposures to central counterparties developed by the Basel Committee on Banking Supervision. This decision was made on the basis that each clearing agency is based and prudentially supervised in a jurisdiction where its regulator has established, and publicly indicated, that it applies to the central counterparty on an ongoing basis, rules and regulations that are consistent with the international standards governing central counterparties set out in the PFMIs.

Shorcan Brokers Limited (“Shorcan”) is a fixed income inter-dealer broker which provides facilities for matching orders for Canadian federal, provincial, corporate and mortgage bonds and treasury bills and derivatives for anonymous or name-give-up buyers and sellers in the secondary market. Shorcan is a registrant under the category of “exempt market dealer” and has been approved by IIROC to act as an Inter-Dealer Bond Broker. Shorcan is also registered as an introducing broker with the National Futures Association, which enforces CFTC reporting requirements for its members under the *U.S. Commodity Exchange Act*.

In Canada, TSX Trust Company (“TSX Trust”) is a federal trust company regulated by the Office of the Superintendent of Financial Institutions and is licensed to operate as a trust corporation in all provinces and territories in Canada. In the U.S, TSX Trust is registered with and has reporting obligations to the SEC as a transfer agent pursuant to the *Securities Exchange Act of 1934*.

An exchange or clearing house operating in Canada must be recognized in certain jurisdictions under applicable legislation. In some circumstances, an exchange or clearing house may obtain an exemption from this requirement. The Ontario, Québec, Alberta and British Columbia securities regulatory authorities have issued recognition or exemption orders and oversee TMX Group and the operations of Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange, MX, CDCC, CDS and CDS Clearing. The OSC is the lead regulator for TSX Inc. and TSX Alpha Exchange. TMX Group operates under recognition orders granted by the AMF and the OSC. The ASC and BCSC are the joint lead regulators for TSX Venture Exchange Inc. The AMF is the lead regulator for MX. CDCC, CDS and CDS Clearing operate under recognition orders from the OSC, the AMF and the BCSC.

The lead regulator of an exchange, or recognizing regulator in the case of a clearing house or clearing agency, focuses on, among other things, the listing or eligibility standards and trading or clearing activities (embodied in the rules of the exchange or the clearing house or clearing agency), including its market quality rules, and, in the case of Toronto Stock Exchange, TSX Venture Exchange and TSX Alpha Exchange, universal market integrity rules approved by all the recognizing regulators. Generally, the lead regulator of an exchange must approve any new standards or rules or changes to existing rules. In some instances, new rules or changes to existing rules must be published for a public comment period as part of the rule approval process.

Under the *Derivatives Act* (Québec), new rules pertaining to market activities or new products or rule changes with respect to MX and CDCC, must be submitted to the AMF in accordance with the self-certification process. Significant rule changes must also be published for a public comment period before self-certification in Québec. There is a similar public comment period required under the OSC recognition order for CDCC.

The lead regulator or recognizing regulator, as applicable, also has the general power to make any decision in respect of the exchange, clearing house or clearing agency that it deems necessary in the public interest, and can review any direction, decision, order or ruling of an exchange or clearing agency at the request of the regulator's executive director, or equivalent position, or any person directly affected by the direction, decision, order or ruling.

Terms and Conditions of TMX Group's and its Subsidiaries' Recognition Orders

The recognition orders (as amended) of each of TMX Group, TSX Inc., TSX Venture Exchange Inc., TSX Alpha Exchange, CDCC, CDS and CDS Clearing (collectively, the "Recognition Orders", and individually, a "Recognition Order") provide the terms under which the OSC, AMF, BCSC and ASC, respectively, permit TMX Group to operate a combined exchange and clearing group. The Recognition Orders impose, among other things, governance, conflict of interest management, financial viability, resource and other operational requirements and reporting obligations, some of which are outlined below. The Recognition Orders also require that TMX Group and certain of its regulated subsidiaries conduct their business and operations in a manner that is consistent with the public interest. In addition, TMX Group is required to do everything within its control to cause each of TSX Inc. and TSX Alpha Exchange to carry out its activities as an exchange in compliance with applicable securities laws. TMX Group and TSX Inc. have each provided undertakings to the ASC and the BCSC (together, the "ASC and BCSC Undertakings") in which they represent that, among other things, they will ensure that TSX Venture Exchange Inc. complies with the terms of its Recognition Orders.

Composition of the Boards of Directors of TMX Group Limited, TSX Inc., TSX Venture Exchange Inc. and Montréal Exchange Inc.

In addition to corporate and securities law requirements, securities regulators that regulate TMX Group require it to comply with a myriad of governance requirements. Pursuant to the ASC and BCSC Undertakings, the boards of directors of TMX Group, TSX Inc. and TSX Venture Exchange Inc. must be identical and under the AMF Recognition Order for MX the board of directors of Montréal Exchange Inc. must be identical to that of TMX Group.

Under the Recognition Orders of the OSC, the AMF, the ASC and the BCSC, as applicable, the boards of directors of TMX Group, TSX Inc., TSX Venture Exchange Inc. and Montréal Exchange Inc. are subject to the following compositional requirements:

- at least 50% of the directors (including the chair of the board) must be “independent” within the meaning of s. 1.4 and 1.5 of National Instrument 52-110-*Audit Committees* (“NI 52-110”), provided however, that a person is not independent if the person is: (i) a partner, director, officer or employee of a marketplace participant of a marketplace owned or operated by TMX Group or TMX Group’s affiliated entities (as such term is defined in National Instrument 21-101 - *Marketplace Operation* (“NI 21-101”)) (a “TMX Group Marketplace”) or an associate of such individual, or (ii) a partner, director, officer or employee of an affiliate of a marketplace participant of a TMX Group Marketplace who is responsible for or is actively or significantly engaged in the day-to-day operations of that participant (any such director is referred to herein as “Independent”);
- one director must be drawn from the Canadian independent investment dealer community (excluding investment dealers which are affiliates of Canadian Schedule I banks under the *Bank Act*);
- at least 25% of the directors must be residents of Québec;
- at least 25% of the directors must possess expertise in derivatives; and
- at least 25% of the directors must have currently relevant expertise in the Canadian public venture capital markets.

Restrictions on Plans and Practices imposed under the Recognition Orders

The Recognition Orders of the OSC, the ASC and the BCSC provide for a variety of restrictions on our ability to engage in certain practices, some of which are outlined below.

Under these Recognition Orders, each TMX Group Marketplace⁵ may not, through any fee schedule, any fee model or any contract, agreement or other arrangement (collectively referred to herein as “fee arrangements”) with any marketplace participant (as defined in NI 21-101) or any other person or company, provide any discount, rebate, allowance, price concession or other similar arrangement (collectively referred to herein as “price reductions”) that is accessible, only to (whether as designed or by implication) a particular market participant or any other particular person or company or a price

⁵ In this section, the term TMX Group Marketplace does not include Montréal Exchange.

reduction for any service or product offered by the TMX Group Marketplace that is conditional upon the requirement to have a TMX Group Marketplace be set as the default or first marketplace a marketplace participant routes to or the router of a TMX Group Marketplace being used as the marketplace participant's primary router. The Recognition Order of the OSC also requires TMX Group to ensure that any of its affiliated entities do not, through any fee arrangement with any marketplace participant or any other person or company, engage in the foregoing practices.

In addition, any TMX Group Marketplace must not,

- through any fee agreement with any marketplace participant or any other person or company, provide any price reduction that is accessible only to a class of marketplace participants or of any other persons or companies, unless prior approval has been granted by the OSC, the ASC or the BCSC, as applicable;
- implement any new, or amendments to, fees and fee models, including any new, or amendments to, any incentives relating to arrangements that provide for equity ownership in TMX Group for marketplace participants or their affiliated entities based on trading volumes or values on TMX Group Marketplaces, unless prior approval has been granted by the OSC, ASC or BCSC, as applicable;
- require a person or company to purchase or otherwise obtain products or services from any TMX Group clearing agency ("a TMX Group Clearing Agency")⁶ as a condition of the TMX Group Marketplace supplying or continuing to supply a product or service; or
- require another person or company to purchase or otherwise obtain products or services from any other TMX Group Marketplace as a condition of the TMX Group Marketplace or a Significant Maple Shareholder⁷ supplying or continuing to supply a product or service, unless prior approval has been granted by the OSC.

The Recognition Orders of the OSC prohibits each of TSX Inc. and TSX Alpha Exchange from entering into fee arrangements with any marketplace participant or any other person or company that provides a price reduction on any services or products offered by that exchange that is conditional upon the purchase of any other service or product provided by that exchange or any of its affiliated entities except with the prior approval of the OSC.

The Recognition Orders of the ASC and the BCSC state that TSX Venture Exchange must not, through any fee arrangement with any TSX Venture Exchange marketplace participant or any other person, provide any pricing reduction on any services or products offered by TSX Venture Exchange that is conditional

⁶ Defined to mean a clearing agency owned or operated by TMX Group or TMX Group's affiliated entities (as such term is defined in NI 21-101).

⁷ A "Significant Maple Shareholder" is a person or company that (a) beneficially owns or exercises control or direction over more than 5% of the outstanding voting shares of TMX Group (subject to certain ordinary course of business exceptions as set out in greater detail in the Recognition Order of the OSC regarding the Maple Transaction), or (b) is an "Original Maple Shareholder" whose obligations under such Recognition Order of the OSC have not terminated pursuant to the terms thereof and that has a partner, officer, director or employee on the TMX Group Board (as defined on page 12 of this AIF), for so long as such partner, officer, director or employee retains his or her seat on the TMX Group Board. Each of Alberta Investment Management Corporation, Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board, CIBC World Markets Inc., Desjardins Financial Corporation, Fonds de solidarité des travailleurs du Québec, The Manufacturers Life Insurance Company, National Bank Group Inc., National Bank Financial Inc., Ontario Teachers' Pension Plan Board, Scotia Capital Inc., TD Securities Inc. and 1802146 Ontario Limited, an affiliate of TD Securities Inc, is an "Original Maple Shareholder".

upon the purchase of any other service or product provided by TSX Venture Exchange or any of its affiliated entities.

Allocation of Resources

For so long as TSX Inc., TSX Venture Exchange, TSX Alpha Exchange, CDS, CDS Clearing, CDCC and MX carry on business as an exchange or clearing agency, as applicable, each entity must have or TMX Group must allocate, as the case may be, sufficient financial and other resources to each entity to ensure that such entity can carry out its functions.

Financial Viability Reporting

Under the terms and conditions of the Recognition Orders of the OSC, TSX Inc., CDS, CDS Clearing and TSX Alpha Exchange are subject to specified financial viability tests to ensure that each exchange or clearing agency, as applicable, maintains sufficient financial resources to properly perform its functions. The AMF has also imposed financial viability ratios on MX, CDS and CDS Clearing. Those financial ratios are discussed under the heading “***Managing Capital***” on pages 43 to 44 of our 2018 Annual MD&A, which is incorporated by reference into this AIF. In addition, CDCC must comply with financial ratios agreed upon with the AMF and the OSC.

Terms and Conditions Imposed on TSX Inc. and Toronto Stock Exchange

TSX Inc. has special terms and conditions relating to the listing of TMX Group or any TMX Group affiliated entities on Toronto Stock Exchange. With respect to the common shares of TMX Group, Toronto Stock Exchange and staff of the OSC approved the listing and posting for trading of our common shares on Toronto Stock Exchange under the symbol “X” effective September 19, 2012 following the delisting of the common shares of TMX Group Inc. pursuant to the Subsequent Arrangement. The OSC, pursuant to its Recognition Order, has approved procedures which require Toronto Stock Exchange to promptly report to the OSC any conflicts or potential conflicts of interest that arise or may arise with respect to our continued listing or the initial listing or continued listing of a competitor of TMX Group or its affiliates. Under these procedures, we established a conflicts committee, with at least two members who are independent of TSX Inc., and all conflict determinations and resolutions must be approved by staff of the OSC. Under Ontario securities legislation, the OSC has overriding powers to make decisions about Toronto Stock Exchange if it is in the public interest. Toronto Stock Exchange’s reporting requirements and the OSC’s monitoring function for the listing of our common shares are set out in TSX Inc.’s Listings-Related Conflicts Policy.

Terms and Conditions Imposed on TSX Venture Exchange Inc.

In addition to the terms and conditions outlined above, the Recognition Orders of the ASC and BCSC relating to TSX Venture Exchange Inc. include the following terms and conditions:

- Fees and incentives charged by TSX Venture Exchange Inc. must:
 - be allocated on an equitable basis among the exchange’s listed issuers and applicants for listings, the exchange’s marketplace participants and other marketplace participants;
 - not have the effect of creating barriers to access;

- be balanced with the exchange's need to have sufficient revenues to satisfy its responsibilities; and
- be fair, reasonable and appropriate.

Terms and Conditions Imposed on MX

In addition to the terms and conditions outlined above applicable to MX, the Recognition Orders of the AMF for MX include the terms and conditions set forth below.

- Fees shall not have the effect of creating barriers to access; however, they must take into consideration that MX must have sufficient revenues to perform its functions, its regulatory activities and its exchange operations.
- MX will ensure that all the fees it imposes are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.
- MX must maintain an independent division (the "Regulatory Division") under the control and oversight of the special committee (the "Special Committee") with clearly defined regulatory responsibilities for its market and for its participants. The Special Committee, named by the board of directors of MX, must be made up of no less than 50% of persons who: (i) are residents of Québec; (ii) satisfy the independence criteria applicable to the directors of MX; and (iii) have expertise in derivatives. The Regulatory Division:
 - must have a separate administrative structure and must be completely autonomous in performing its functions and in its decision-making process;
 - must be a separate business unit of MX and operate on a self-financing basis and must be not-for-profit; and
 - any changes to the Regulatory Division's administrative and organizational structure or to the Special Committee that may materially affect regulatory duties and operations must receive prior approval from the AMF.

The Regulatory Division ensures neutrality and impartiality when the Regulatory Division applies the rules that govern MX's markets and the relationships between MX and its market participants. As a recognized exchange and SRO, MX, through its Regulatory Division, is responsible for regulating its markets and its participants on a day-to-day basis. The Regulatory Division achieves this by enforcing rules and policies governing MX's markets and the conduct of approved participants. MX's Regulatory Division is independent from its other operations and is under the sole internal oversight of the Special Committee, which is independent from MX and its management. Further information on the Special Committee and the Regulatory Division can be found in the "***Our Business - Derivatives Trading and Clearing - MX, CDCC and BOX - Derivatives - Regulatory Division***" section on page 16 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

Terms and Conditions Imposed on CDCC

In addition to the terms and conditions outlined above applicable to CDCC, the AMF Recognition Orders for CDCC include the terms and conditions set forth below:

- CDCC will ensure that the fees it imposes are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.
- Fees shall not have the effect of creating barriers to access; however, they must take into consideration that CDCC must have sufficient revenues to perform its functions.

Terms and Conditions Imposed on CDS and CDS Clearing

In addition to the terms and conditions outlined above applicable to CDS and CDS Clearing, the Recognition Orders of the OSC, the AMF and the BCSC, as the case may be, include the terms and conditions set forth below.

- CDS Clearing will ensure that all the fees it imposes are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent. While CDS Clearing fees shall not have the effect of creating barriers to access, such fees shall be balanced against the consideration that CDS Clearing must have sufficient revenues to satisfy its obligations.
- CDS and CDS Clearing fees are subject to the approval of the applicable regulators and CDS Clearing's ability to seek approval for fee increases on certain core services (as such services are defined in the Recognition Orders of the OSC and the AMF, respectively) is limited to scenarios resulting in a significant change in circumstances from the effective date of their Recognition Orders, being August 1, 2012.
- CDS Clearing is also subject to a rebate model, pursuant to which CDS Clearing must share, with certain exceptions, any annual revenue increases (as compared to the base year, 2012) on clearing and other core services (as defined in the Recognition Orders of the OSC and the AMF, respectively), on a 50/50 basis with participants.
- CDS Clearing is required to rebate an amount of \$4.0 million annually to participants in respect of exchange clearing services for trades conducted on an exchange or ATS.

Regulation of Brokerage Firms — Operations and Business Conduct Generally

All brokerage firms trading through Toronto Stock Exchange, TSX Venture Exchange, TSX Alpha Exchange or MX must be members of a recognized SRO which regulates its members. These organizations regulate the broker-client relationships, business conduct and capital adequacy of their members. This regulation seeks to maintain the credibility of marketplaces, protect investors' interests and instill investor confidence by addressing general issues of trading ethics and investor protection in the markets. Participating organizations and member firms trading on Toronto Stock Exchange and TSX Venture Exchange, members trading on TSX Alpha Exchange and Canadian-approved participants trading on MX are regulated by IIROC. Foreign-approved participants trading through MX must be regulated by a recognized SRO or regulator or exempted from registration in their jurisdiction. The exchanges, however, also have criteria for access to their markets.

Regulatory Developments

More information on regulatory developments can be found in the “**Regulatory Changes**” section on page 7 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

Social Policies

Every year, our employees have the opportunity to vote for a charitable cause that they believe TMX Group should support and that aligns with our values. Our theme for 2018 and 2019 is children's health. We are particularly focused on Canadian charities that support children's health initiatives in cities in which our offices are located.

Our charitable giving program is led by a committee of employees which reviews charitable requests, allocates funds, and organizes individual and team volunteering activities. The committee is currently focused on allocating funds to the following areas related to children's health: children's outreach programs, children's mental health and children's hospitals. Corporate contributions made in 2018 helped fund a ventilator for SickKids Hospital, winter essentials and holiday gifts for Santa on Bay Street, therapeutic adventures for children with cancer through Sur La Pointe des Pieds Foundation, therapy and support for child victims of sexual abuse at Sheldon Kennedy Advocacy Centre and food and snacks programs at Backpack Buddies.

Our employees receive two paid days off per year to volunteer for any charity that supports TMX Group's designated cause of children's health.

TMX Group also continues to support the United Way and Centraide through a dedicated leadership campaign and we continue to offer employees the opportunity to participate in our corporate matching program in which TMX Group matches an employee's donation to a charitable organization up to a maximum of \$200 per calendar year. We match donations made to charities under the categories of education, social services, health, research, and arts and culture.

Risk Factors

A discussion of risk factors related to TMX Group and its businesses appears under the heading “**Enterprise Risk Management**” on pages 56 to 80 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

DESCRIPTION OF SHARE CAPITAL OF TMX GROUP

Our authorized capital consists of an unlimited number of common shares and an unlimited number of preference shares, issuable in series. Currently, only common shares of TMX Group Limited are issued and outstanding. No preference shares have been issued. Further information regarding our share capital is disclosed in Note 26 of the 2018 Annual Financial Statements, which is incorporated by reference into this AIF.

Common Shares

Each of our common shares is entitled to one vote at all meetings of our shareholders, except for meetings where only holders of another class or series of our shares are entitled to vote separately as a class or

series. Each common share is also entitled to receive dividends if, as and when declared by the board of directors of TMX Group (the “TMX Group Board”). If the TMX Group Board declares and pays dividends, it must do so in equal amounts per share on all common shares (and subject to certain priority rights of any outstanding preference shares). Common shareholders are entitled to participate in any distribution of our net assets if we liquidate, dissolve or wind-up (subject to certain priority rights of preference shareholders, if any). The common shares do not have any pre-emptive, redemption, purchase or conversion rights except for the compulsory provisions described below related to enforcing the restrictions on ownership of our voting shares.

Preference Shares

The TMX Group Board may issue preference shares at any time and in one or more series. If the TMX Group Board issues preference shares, it will, before they are issued, fix the number, consideration per share, designation of, and rights and restrictions for the preference shares of each series (subject to the special rights and restrictions attached to all preference shares). Each series of preference shares will rank equally with all other series of preference shares for the payment of dividends and return of capital if we liquidate, dissolve or wind-up. The preference shares have a priority right to receive dividends and any return of capital before the common shares and any other junior shares. We cannot amend the preference shares’ special rights and restrictions as a class without obtaining any approval required by law, and the approval of at least two-thirds of the votes cast at a meeting of preference shareholders called and held for that purpose. To date, TMX Group Limited has not issued any preference shares.

Restrictions on Ownership of Our Voting Shares

Section 21.11 of the *Securities Act* (Ontario), as amended by regulation and an order of the OSC under section 21.11(4) of the *Securities Act* (Ontario) states that no person or company (or combination of persons or companies acting jointly or in concert) may beneficially own or exercise control or direction over more than 10% of any class or series of our voting shares without the prior approval of the OSC (together with the share ownership restrictions imposed under the Recognition Orders of the AMF outlined below, collectively referred to as the “Share Ownership Restrictions”).

Under the Recognition Orders of the AMF, no person or company or combination of persons or companies acting jointly or in concert can beneficially own or exercise control or direction over more than 10% of any class or series of our voting shares, without the prior approval of the AMF.

The OSC and the AMF can change the Share Ownership Restrictions (including the ownership percentage threshold) in the future.

Share Ownership Restrictions in Our Articles

Our articles of amalgamation include restrictions on voting share ownership (the “TMX Group Share Restrictions”) which are substantively identical to the Share Ownership Restrictions. Our common shares are currently our only outstanding voting shares. The articles provide that these restrictions will automatically change or be removed if the Share Ownership Restrictions are changed or removed.

Our articles contain provisions to enforce the TMX Group Share Restrictions, including our ability to suspend voting rights, forfeit dividends or any other distribution, prohibit share transfers, require a sale of shares or redeem and suspend other shareholder rights. The TMX Group Board may at any time require

holders of, or subscribers for, voting shares and certain other persons to make declarations and provide related information with respect to ownership, direction, or control of voting shares and certain other matters relevant to this restriction. The TMX Group Board may also require holders or subscribers to produce documents, provide responses to written questions, and attend in person to answer questions concerning any declaration. We are prohibited from accepting any subscription or issuing or registering a transfer of voting shares if it would result in a violation of the TMX Group Share Restrictions.

Restrictions on Ownership of Subsidiaries

TSX Inc.

Under Section 21.11 of the *Securities Act* (Ontario), as amended by regulation, no person or company (or combination of persons or companies acting jointly or in concert) may beneficially own or exercise control or direction over more than 10% of any class or series of TSX Inc.'s voting shares without the prior approval of the OSC. Any change to the ownership of TSX Inc. requires the prior approval of the OSC.

TMX Group has also agreed, in the ASC and BCSC Undertakings, to notify the ASC and BCSC if it has applied or intends to apply to the OSC for an amendment to the Recognition Order of the OSC permitting TMX Group to own, directly or indirectly, less than all of the issued and outstanding voting shares of TSX Inc.

TSX Venture Exchange Inc.

The Recognition Orders of the ASC and the BCSC for TSX Venture Exchange Inc. impose conditions related to changes in ownership. Pursuant to the ASC and BCSC Undertakings, TMX Group and TSX Inc. agreed not to complete or authorize a transaction that would result in TSX Venture Exchange Inc. ceasing to be wholly-owned by TSX Inc. or indirectly wholly-owned by TMX Group without: (i) providing the ASC and BCSC at least three months' prior notice of their intention; and (ii) complying with any terms and conditions that the ASC or BCSC may impose.

Alpha Exchange Inc.

TMX Group must continue to own, directly or indirectly, all of the issued and outstanding voting shares of Alpha Exchange Inc. Without the prior approval of the OSC, and subject to such terms and conditions as considered appropriate by the OSC, other than TMX Group, no person or company, and no combination of persons or companies acting jointly or in concert may beneficially own or exercise control or direction over more than 10%, or such other percentage as may be prescribed by the OSC, of any class or series of voting shares of Alpha Exchange Inc.

Montréal Exchange Inc. and Canadian Derivatives Clearing Corporation

The Recognition Orders of the AMF for MX and CDCC state that no person or company (or combination of persons or companies acting jointly or in concert) shall, without the prior approval of the AMF, own or exercise control or direction over more than 10% of any class or series of voting shares of: (i) MX, except for TMX Group; or (ii) CDCC, except for TMX Group and MX.

The Canadian Depository for Securities Limited

Under the Recognition Orders, CDS cannot change its ownership structure without the prior approval of the OSC, the AMF and the BCSC.

Ratings

TMX Group received the following credit ratings from DBRS Limited (“DBRS”), which as at the date of this AIF remain unchanged:

	DBRS	
	Rating	Trend
Issuer credit rating	A (high)	Stable
Senior unsecured debt ⁸	A (high)	Stable
Commercial paper ⁹	R-1 (low)	Stable

The credit ratings from DBRS are based on quantitative and qualitative considerations which are relevant for TMX Group. These ratings are intended to give an indication of the risk that TMX Group will not fulfill its obligations in a timely manner. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor. Credit ratings may not reflect the potential impact of all risks on the value of securities. In addition, real or anticipated changes in the rating assigned to a security will generally affect the market value of that security. There can be no assurance that a rating will remain in effect for any given period of time or that a rating will not be revised or withdrawn entirely by a rating agency in the future.

DBRS will regularly evaluate our issuer rating and the ratings of our senior unsecured debt and commercial paper outstanding. A downgrade from our existing rating could adversely affect our cost of borrowing and/or our ability to access sources of liquidity and capital and reduce financing options available to us. See also ***“Enterprise Risk Management – Risks and Uncertainties - “Our inability to incur additional indebtedness could be impacted by adverse changes to our credit rating”*** on pages 72 to 73 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

TMX Group pays customary fees to DBRS to obtain and maintain its credit ratings. TMX Group expects to pay similar fees in the future. No additional payments were made to DBRS in respect of any other services provided to TMX Group during the past two years.

A description of the rating categories has been obtained from DBRS’ website and is provided in Appendix B to this AIF.

⁸ Our senior unsecured debt is comprised of our Series B Debentures, Series D Debentures and Series E Debentures (each as defined below in the ***“Material Contracts – Debentures”*** section on page 27 of this AIF), as described under the ***“Commercial Paper, Debentures, Credit and Liquidity Facilities”*** section on pages 38 to 42 of our 2018 Annual MD&A and in Note 12 of the 2018 Annual Financial Statements, which are incorporated by reference into this AIF.

⁹ Our commercial paper program is described under the ***“Commercial Paper, Debentures, Credit and Liquidity Facilities”*** section on pages 38 to 42 of our 2018 Annual MD&A and in Note 12 of the 2018 Annual Financial Statements, which are incorporated by reference into this AIF.

DIVIDENDS

We paid a dividend of \$0.62 on each outstanding common share on March 15, 2019 to shareholders of record at the close of business on March 1, 2019. In 2018, 2017 and 2016, we paid dividends totalling \$2.24, \$1.95 and \$1.65, respectively, on each outstanding common share.

As a holding company, our ability to pay dividends on our shares depends in large part upon our subsidiaries paying dividends and other amounts to us. Our subsidiaries must comply with corporate and securities laws and with their internal agreements before they may pay dividends to us. Certain capital maintenance requirements imposed on our subsidiaries may impose restrictions on the dividends or other amounts that a subsidiary may distribute to its shareholders. Our capital maintenance requirements are outlined under the heading “*Managing Capital*” on 43 to 44 of our 2018 Annual MD&A, which is incorporated by reference into this AIF. Further information regarding TMX Group dividends is disclosed in Note 28 of the 2018 Annual Financial Statements, which is incorporated by reference into this AIF.

Our current dividend policy is based on the following factors:

- a long-term intention to provide shareholders with regular and growing dividends, within the constraints arising from changes in our prevailing and projected earnings;
- prevailing market dividend yields, including those of comparable publicly traded exchange groups and other Canadian financial institutions;
- the need to retain capital to support our stability and growth; and
- compliance with applicable laws, regulations, orders and debt covenants.

This dividend policy is reviewed periodically by the TMX Group Board. The TMX Group Board has the sole discretion to declare and to adjust or eliminate dividends based on the above factors or other considerations.

MARKET FOR SECURITIES

Our common shares are listed on Toronto Stock Exchange under the symbol “X.” The following table sets out the high and low sale prices per common share and the volume of TMX Group common shares traded for the periods indicated, as reported by Toronto Stock Exchange.

2018	High (\$)	Low (\$)	Volume
January	77.72	70.26	1,889,767
February	79.50	73.73	2,278,794
March	79.09	74.35	1,706,726
April	79.38	74.02	1,383,797
May	82.96	73.65	2,811,110
June	86.98	80.75	2,229,618
July	88.23	83.10	1,294,123
August	90.33	83.50	1,550,258

2018	High (\$)	Low (\$)	Volume
September	88.80	83.94	1,602,470
October	87.45	78.01	2,333,408
November	85.29	74.01	3,739,727
December	80.20	68.87	1,704,176

Prior Sales

During the most recently completed financial year, we did not issue any shares that are not listed or quoted on a marketplace. Under our commercial paper program, we are authorized to offer investors up to \$500.0 million or the equivalent U.S. dollars. On June 5, 2018, we completed a private placement offering of \$200.0 million aggregate principal amount of senior unsecured debentures to accredited investors in Canada. For additional information, please refer to the “**Material Contracts – Debentures and Credit Agreement**” section on pages 26 to 27 of this AIF, the “**Commercial Paper, Debentures, Credit and Liquidity Facilities**” section on pages 38 to 42 of our 2018 Annual MD&A and in Note 12 of the 2018 Annual Financial Statements, which are incorporated by reference into this AIF.

DIRECTORS AND OFFICERS

Directors

As of the date of this AIF, the following individuals are the directors of TMX Group.

Name and Residence	Principal Occupation	Director Since
Charles Winograd Ontario, Canada	Chair, TMX Group Board since July 31, 2012, Senior Managing Partner, Elm Park Capital Management (mid-market lending limited partnership) and President, Winograd Capital Inc. (external consulting and private investment firm)	July 31, 2012
Luc Bertrand Québec, Canada	Vice Chair, National Bank Group Inc. (chartered bank)	May 13, 2011
Nicolas Darveau-Garneau California, USA	Chief Search Evangelist, Google LLC (technology company)	September 1, 2018
Louis Eccleston Ontario, Canada / New Jersey, USA	Chief Executive Officer, TMX Group	November 3, 2014
Christian Exshaw Ontario, Canada	Managing Director and Head Global Markets, CIBC World Markets Inc. (investment dealer)	January 1, 2015
Marie Giguère Québec, Canada	Corporate Director	May 13, 2011
Martine Irman Ontario, Canada	Vice Chair, TD Securities (investment dealer) and Senior Vice President, TD Bank Group (chartered bank)	November 6, 2014

Name and Residence	Principal Occupation	Director Since
Harry Jaako British Columbia, Canada	Executive Officer, Director and Principal of Discovery Capital Management Corp. (“DCMC”) (venture capital firm) and President and Director of British Columbia Discovery Fund Inc. (investment fund)	July 31, 2012
Lise Lachapelle Québec, Canada	Strategic and Economic Consultant and Corporate Director	May 23, 2014
William Linton Ontario, Canada	Corporate Director	July 31, 2012
Jean Martel Québec, Canada	President and CEO, Martelligence Inc. (financial regulation consulting) and Corporate Director	July 31, 2012
Gerri Sinclair British Columbia, Canada	Managing Partner, Kensington Capital Partners (investment manager) since October 2016, Corporate Director and Strategic Consultant	July 31, 2012
Kevin Sullivan Ontario, Canada	Deputy Chairman, GMP Capital Inc. (investment dealer)	July 31, 2012
Eric Wetlaufer Massachusetts, USA	Corporate Director	July 31, 2012
Michael Wissell Ontario, Canada	Senior Vice President, Portfolio Construction Group, Healthcare of Ontario Pension Plan	September 19, 2014

Directors are elected annually and will hold office until our next annual meeting of shareholders or until the director resigns, becomes ineligible, unable to serve or until his or her successor is elected or appointed.

The directors have had the principal occupations stated above, or other senior positions with the same, predecessor, or associated firms, for the past five years except for: (i) Mr. Eccleston, who was President, S&P Capital IQ and Chairman of the Board, S&P Dow Jones Indices at McGraw Hill Financial until July 2014; (ii) Ms. Giguère who was Executive Vice President, Legal Affairs and Secretariat of Caisse de dépôt et placement du Québec (pension fund) until June 2016; (iii) Mr. Martel, who was a Partner at Lavery, de Billy LLP until December 2018; (iv) Mr. Wetlaufer, who was Senior Managing Director & Global Head of Public Market Investments, Canada Pension Plan Investment Board (“CPPIB”) until June 2018; and (v) Mr. Wissell, who was Senior Managing Director, Portfolio Construction Group, Ontario Teachers’ Pension Plan (“OTPP”) from 2016 to 2018 and Senior Vice President, Public Equities, OTPP from 2013 to 2016.

TMX Group Board Charter

TMX Group is committed to remaining at the forefront of good governance and ensuring the highest standard of corporate governance, as well as ensuring that management has a system in place to conduct the business and operations of TMX Group in a manner that is consistent with the public interest. Within the framework required by the Recognition Orders and the ASC and BCSC Undertakings, TMX Group’s governance arrangements ensure fair, meaningful and diverse representation on the TMX Group Board and its committees, including appropriate representation of independent directors and a proper balance among the interests of the different persons and companies using TMX Group’s services and facilities.

The TMX Group Board charter recognizes the primary responsibility of the TMX Group Board to provide governance and stewardship and sets out the board's responsibilities for, among other things: appointing and supervising officers comprising the executive officers (including setting roles and responsibilities for the Chair of the TMX Group Board and the Chief Executive Officer); strategic planning; risk management; financial reporting and management; public interest responsibilities: shareholder communication; corporate governance; and adopting and monitoring compliance with a board code of conduct and an employee code of conduct.

The complete text of the TMX Group Board charter and other related information is available on our website at www.tmx.com.

Committees of the TMX Group Board

The TMX Group Board currently has six standing committees: a finance and audit committee, a governance committee, a human resources committee, a regulatory oversight committee, a derivatives committee and a public venture market committee. Each standing committee's charter is posted on our website at www.tmx.com. A summary of each standing committee's responsibilities and the members of each such committee are set out below.

Governance Committee

The TMX Group Board has established a Governance Committee, which is required to be comprised of at least five directors, all of whom are Independent.

The Governance Committee assists the TMX Group Board by providing the TMX Group Board with recommendations relating to corporate governance in general, including without limitation: (a) all matters relating to the stewardship role of the TMX Group Board in respect of the management of the corporation; (b) board size and composition, including: (i) confirming the status of nominees to the TMX Group Board as Independent before the individual is submitted to shareholders as a nominee for election to the TMX Group Board; (ii) confirming on an annual basis that the status of the directors that are Independent has not changed; (iii) assessing and approving all nominees of management to the TMX Group Board; and (iv) the orientation of new members; (c) board compensation; and (d) such procedures as may be necessary to allow the TMX Group Board to function independently of management and non-independent directors.

The Governance Committee also monitors and makes recommendations with respect to trends in corporate governance, and designs and oversees compliance with policies associated with an efficient system of corporate governance, other than policies relating to conflicts of interest that are within the scope of the Regulatory Oversight Committee (discussed below). Such policies include our TMX Group Board Code of Conduct, our Employee Trading Policy, our Director Qualification Policy, and our Timely Disclosure, Confidentiality and Insider Trading Policy ("Insider Trading Policy").

The Insider Trading Policy applies to all directors, officers and employees. Under the Insider Trading Policy, we have established a Disclosure Committee that is responsible for updating the policy as required, monitoring the effectiveness of and compliance with the Insider Trading Policy, educating our directors, officers and employees about the policy, reviewing and authorizing written, electronic and oral disclosure by us, and monitoring our website.

Committee Members

Marie Giguère (Chair), William Linton, Gerri Sinclair, Charles Winograd and Michael Wissell.

Finance and Audit Committee

The Finance and Audit Committee of the TMX Group Board is comprised entirely of directors who meet the independence and financial literacy requirements set out in NI 52-110 and who are Independent.

The Finance and Audit Committee assists the TMX Group Board in fulfilling its oversight responsibilities regarding: (a) financial reporting and disclosure; (b) internal controls and receipt of complaints, including the whistleblower hotline; (c) external audit; (d) internal audit and the provision of assurance; (e) risk management; (f) financial planning, investment opportunities and treasury activities; and (g) pension plan(s).

This committee also assists the TMX Group Board in fulfilling its enterprise risk management responsibilities by overseeing the adequacy and operating effectiveness of TMX Group's enterprise risk management program, including assessing the adequacy of TMX Group's risk management policies, processes and systems to manage key enterprise risks.

The committee:

- is directly responsible for overseeing the work of the external auditor in connection with the audit of the annual financial statements and the review of the interim financial statements and any other audit, review or attest functions the external auditor performs for TMX Group, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- must pre-approve all non-audit services to be provided to TMX Group or its subsidiaries by the external auditor;
- must review TMX Group's financial statements and related management's discussion and analysis, and annual and interim earnings press releases before they are publicly disclosed;
- must be satisfied that adequate procedures are in place and must periodically assess the adequacy of those procedures for the review of TMX Group's public disclosure of financial information extracted or derived from our financial statements, other than the public disclosures referred to above;
- must establish procedures for (i) the receipt, retention and treatment of complaints received by TMX Group regarding accounting, internal accounting controls or auditing matters, and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and for the protection from retaliation of those who report such complaints in good faith; and
- must review and approve TMX Group's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

Committee Members

William Linton (Chair), Harry Jaako, Lise Lachapelle, Eric Wetlaufer and Charles Winograd.

Charter

The full text of the Finance and Audit Committee's charter is included as Appendix C to this AIF.

Composition of the Committee and Relevant Education and Experience of its Members

The following are the members of the Finance and Audit Committee, each of whom is a director and is independent under Sections 1.4 and 1.5 of NI 52-110. The members of the audit committee are each financially literate under Section 1.6 of NI 52-110 and bring significant skill and experience to their responsibilities including professional experience in accounting, business and finance. The specific education and experience of each member that is relevant to the performance of his or her responsibilities as a member of the committee is set out below:

William Linton (Chair)	Mr. Linton served as the Executive Vice President Finance and Chief Financial Officer of Rogers Communications from 2005 until his retirement in July 2012. Since receiving his Chartered Professional Accountant, Chartered Accountant designation in 1977, Mr. Linton has served in various management and director roles for both reporting and non-reporting issuers. Mr. Linton became a Fellow of the Institute of Chartered Professional Accountants in 2012.
Harry Jaako	Mr. Jaako is the Executive Officer, Director and Principal of DCMC (a venture capital firm) and is also President and Director of British Columbia Discovery Fund (VCC) Inc., a British Columbia venture capital fund managed by DCMC. As a venture capital professional, Mr. Jaako has directed investments in over 30 companies for over 15 years and has been responsible for monitoring the financial reporting of many of these investments. He has also, for more than 20 years, served as a senior executive and/or director of numerous reporting and non-reporting issuers and been involved with all aspects of their financial reporting in such executive or board capacities. Throughout his career, Mr. Jaako has also served in an advisory capacity to securities regulators and SROs in matters related to corporate finance.
Lise Lachapelle	Ms. Lachapelle is a Strategic and Economic Consultant and Corporate Director. She was the former President and Chief Executive Officer of the Forest Products Association of Canada and a former President of Strategico Inc., a consulting firm specializing in public policies. She was also a former Senior Vice-President of the Montreal Stock Exchange and also acted as Assistant Deputy Minister in the Federal Department of Industry, Trade and Commerce.

Eric Wetlaufer	Mr. Wetlaufer provides counsel as a director, advisor and investor to a range of public and private companies, with a particular focus on the technology and financial sectors. With 35 years of experience in investment management, Mr. Wetlaufer was most recently responsible for leading the CPPIB's Public Market Investments department. Prior to joining CPPIB, Mr. Wetlaufer was the Group Chief Investment Officer, International at Fidelity Management & Research in Boston, Massachusetts. He previously held the roles of Chief Investment Officer at Putnam Investments and Managing Director at Cadence Capital Management. Mr. Wetlaufer is a Chartered Financial Analyst and a certified member of the Canadian Institute of Corporate Directors.
Charles Winograd	Mr. Winograd is Senior Managing Partner of Elm Park Capital Management, a mid-market lending limited partnership. He is also President of Winograd Capital Inc., an external consulting and private investment firm. Mr. Winograd retired from RBC Capital Markets in December 2008, where he was Deputy Chairman from 1996 to 1998, President and Chief Operating Officer from 1998 to 2001 and Chairman and Chief Executive Officer from 2001 to 2008. Prior to this, Mr. Winograd held several progressively senior positions with Richardson Greenshields and predecessor companies becoming President and Chief Executive Officer in 1987 and Chairman and Chief Executive Officer in 1991 until it merged into RBC Dominion Securities in 1996. He is also a Management Advisor with RP Investment Advisors and past Chairman of the Investment Dealers Association of Canada. Mr. Winograd earned a Chartered Financial Analyst designation in 1979.

Pre-Approval Policies and Procedures

As set out in the committee's charter, the committee is responsible for pre-approving any non-audit services to be provided to TMX Group or its subsidiaries by its external auditor, with reference to compatibility of the service with the external auditor's independence.

External Auditor Services Fees (by category)

The aggregate fees billed by the external auditors, related to the years ended December 31, 2018 and 2017 for professional services are set out below:

Services Rendered	Fees billed	
	Fiscal 2018	Fiscal 2017
Audit Fees ⁽¹⁾⁽²⁾	\$1,190,870	\$1,338,950
Audit Related Fees ⁽³⁾	\$691,442	\$889,942
Tax Fees ⁽⁴⁾	\$0	\$5,400
All Other Fees ⁽⁵⁾	\$16,500	\$208,145
Total	\$1,898,812	\$2,442,437

(1) The fees for the 2017 fiscal year differ from the audit fees disclosed in the annual information form for the year ended December 31, 2017. In order to align with the 2018 classification of services, certain fees that were reported in the annual information form for the year ended December 31, 2017 as "Audit Related Fees" are now included in "Audit Fees".

(2) For the audit of financial statements, including interim reviews of quarterly financial statements, and for services normally provided by the auditor in connection with statutory and regulatory filings.

- (3) The audit related fees for the 2018 fiscal year are for assurance and related services that are reasonably related to the performance of the audit or review of financial statements and are not reported in Audit Fees, including the audit of the TMX Group pension plan, French translation services, reporting on compliance with internal cost allocation model, auditing and reporting on compliance with approved rebate model and reporting on internal controls as required by contract or for business reasons.
- (4) For fees paid for tax compliance services.
- (5) Other fees in fiscal 2018 primarily related to providing assistance with AML/CTF Compliance Program (Phase 1) for certain affiliates of TMX Group and providing observations and recommendations on model risk governance and the general ledger conversion process.

Human Resources Committee

The TMX Group Board has established a Human Resources Committee, comprised of directors who are non-management and are Independent. The Human Resources Committee makes recommendations to the TMX Group Board regarding (a) recommending, appointing and compensating executives, (b) approving succession plans for the Chief Executive Officer and other senior executives, (c) approving and reporting to the TMX Group Board in respect of human resources policies for executives and (d) overseeing the administration of TMX Group's compensation and benefits plans.

The committee reviews annually the Chief Executive Officer's performance goals and targets and corporate objectives; reviews and approves the Chief Executive Officer's performance evaluation against individual performance goals and targets, corporate objectives and progress towards the long-term business strategy; reviews and recommends to the TMX Group Board the Chief Executive Officer's compensation; and reviews, approves and reports to the TMX Group Board on Chief Executive Officer succession plans. On an annual basis, the committee reviews the Employee Code of Conduct and recommends to the TMX Group Board for approval any material amendments to the Employee Code of Conduct. It is also responsible for overseeing our employee benefits plans, including the design and administrative management of our pension plans. The committee is also responsible for ensuring that compensation design risks and related policies and practices are properly identified, measured and managed within acceptable tolerances in a manner that supports TMX Group's objectives.

Committee Members

Eric Wetlaufer (Chair), Marie Giguère, Gerri Sinclair, Charles Winograd and Michael Wissell.

Regulatory Oversight Committee

The TMX Group Board has established a Regulatory Oversight Committee, which is required to be comprised of at least three directors, all of whom are Independent.

The Regulatory Oversight Committee is charged with the following duties: (a) considering real or perceived conflicts of interest that may arise, including but not limited to in the context of: (i) ownership interests in TMX Group by any marketplace participant in a marketplace owned or operated by TMX Group or TMX Group's affiliated entities with representation on the TMX Group Board; (ii) increased concentration of ownership of each of TMX Group, TSX Inc. and TSX Alpha Exchange; and (iii) the profit-making objective and the public interest responsibilities of TMX Group, including general oversight of the management of the regulatory and public interest responsibilities of TSX Inc.; (b) overseeing the establishment of mechanisms to avoid or appropriately manage real or perceived conflicts of interest or potential conflicts of interest, including any policies and procedures that are developed by TMX Group or TSX Inc.; (c) monitoring the operation of mechanisms that deal with conflicts of interest, including oversight of reporting of issuer regulation activities and conflicts of interest by TSX Inc.; (d) reviewing the effectiveness of the policies and procedures regarding conflicts of interest on a regular, and at least annual, basis; (e) annually preparing a written report examining the avoidance and management of

conflicts of interest, the mechanisms used and the effectiveness of those mechanisms and providing the report to the TMX Group Board and to the OSC; and (f) reporting to the TMX Group Board as appropriate, and in writing directly to the OSC, on any matter that the Regulatory Oversight Committee deems appropriate, or that is required by the OSC, without first requiring TMX Group Board approval or notification for such reporting.

Committee Members

Jean Martel (Chair), Marie Giguère and Lise Lachapelle.

Derivatives Committee

The TMX Group Board has established a Derivatives Committee, which advises and makes recommendations to the TMX Group Board with respect to all policy issues and matters that are likely to have a significant impact on derivatives and related products of TMX Group and its subsidiaries and, among other things, on the role of TMX Group and/or MX and/or CDCC in relation thereto. At least a majority of the members of the Derivatives Committee are required to have expertise in derivatives.

Committee Members

Luc Bertrand (Chair), Christian Exshaw, Martine Irman, Kevin Sullivan and Michael Wissell.

Public Venture Market Committee

The TMX Group Board has established a Public Venture Market Committee, which is required to be comprised of at least 50% of directors with currently relevant expertise in the Canadian public venture capital markets. The Public Venture Market Committee's function is to advise and make recommendations to the TMX Group Board with respect to all policy issues and matters that are likely to have a significant impact on the public venture capital market in Canada and the role of TMX Group and/or TSX Venture Exchange Inc. in relation thereto.

Committee Members

Harry Jaako (Chair), Luc Bertrand, Martine Irman, Gerri Sinclair and Kevin Sullivan.

Executive Officers

As at the date of this AIF, the following are the executive officers of TMX Group.

Name	Position	Province and Country of Residence
Charles Winograd	Chairman of the Board	Ontario, Canada
Louis Eccleston	Chief Executive Officer	Ontario, Canada New Jersey, USA
Luc Fortin	President and CEO, Montreal Exchange and Global Head of Trading	Québec, Canada

Name	Position	Province and Country of Residence
Cheryl Graden	Senior Vice President, Group Head of Legal and Business Affairs, Enterprise Risk Management and Government Relations and Corporate Secretary	Ontario, Canada
Mary Lou Hukezalie	Senior Vice President, Group Head of Human Resources	Ontario, Canada
Shaun McIver	Chief Client Officer	Ontario, Canada
John McKenzie	Senior Vice President and Chief Financial Officer	Ontario, Canada
Jay Rajarathinam	Chief Technology and Operations Officer	Québec, Canada Georgia, USA

Except as otherwise noted in this AIF, all executive officers named above have held their present positions or other senior positions with TMX Group or its subsidiaries, predecessors, or associated firms for the past five years, except for Mr. Eccleston, who was President, S&P Capital IQ and Chairman of the Board, S&P Dow Jones Indices at McGraw Hill Financial until July 2014; Mr. Fortin, who was, from 2011 to June 2016, the Managing Director, Canadian Head of the Institutional Client Group of HSBC Securities Inc.; Mr. McIver, who was the Global Head, Multimedia Solutions of Nasdaq, Inc. ("Nasdaq") from 2013 to 2014 and the Global Head, Digital Media Solutions of Nasdaq from 2014 to 2016; and Mr. Rajarathinam, who was the Senior Vice President, Infrastructure and Engineering of NYSE / Intercontinental Exchange from December 2012 to July 2016.

Shareholdings of Directors and Executive Officers

To our knowledge, as at February 28, 2019, the directors and executive officers of TMX Group as a group, beneficially owned, directly or indirectly, or exercised control or direction over 603,351 common shares, representing approximately 1.08% of our outstanding common shares and no director or executive officer of TMX Group beneficially owned or controlled voting securities of any of our subsidiaries.

Corporate Cease Trade Orders or Bankruptcies

To our knowledge and except as otherwise disclosed below, no director or executive officer of TMX Group:

- (a) is, as at the date of this AIF, or has been within the last 10 years, a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued:
 - (i) while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;

- (b) is, as at the date of this AIF, or has been within the last 10 years, a director or executive officer of any company that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or executive officer.

Ms. Lachapelle served as a director of AbitibiBowater Inc. (“AbitibiBowater”) (formerly Abitibi-Consolidated Inc. and now Resolute Forest Products Inc.) from 2002 to December 2010. In April 2009, AbitibiBowater, together with certain of its U.S. and Canadian subsidiaries, filed voluntary petitions in the U.S. Bankruptcy Court for the District of Delaware for relief under the provisions of Chapter 11 and Chapter 15 of the U.S. Bankruptcy Code, as amended, and certain of its Canadian subsidiaries sought creditor protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “CCAA”) with the Superior Court of Quebec in Canada. AbitibiBowater completed its reorganization and emerged from creditor protection proceedings under the CCAA in Canada and Chapter 11 of the U.S. Bankruptcy Code in December 2010.

Mr. Jaako served as a director of Paradigm Environmental Technologies Inc. (“Paradigm”) from June 2005 to September 2013 and as Chairman from November 2007 to September 2013. In June 2014, Wolrige Mahon Limited was appointed as the receiver of the assets of Paradigm pursuant to an order of the Supreme Court of British Columbia under the *Bankruptcy and Insolvency Act* (Canada).

Penalties or Sanctions

To our knowledge, no director or executive officer of TMX Group (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Under our Recognition Orders, TMX Group is required to manage and identify any conflicts of interest or potential conflicts of interest, perceived or real, arising from its ownership interest in TSX Inc., TSX Alpha Exchange and TSX Venture Exchange Inc. and from the involvement of any partner, director or officer in the management or oversight of the marketplace operations or regulation functions of a TMX Group Marketplace and the services and products provided by the TMX Group Marketplace. The Regulatory Oversight Committee oversees the management of real or perceived conflicts. The terms of reference of this committee are outlined above under the section ***“Committees of the TMX Group Board – Regulatory Oversight Committee”***.

Where appropriate, directors remove themselves from portions of board or committee meetings in accordance with the TMX Group Board Code of Conduct and the OBCA, or ad hoc special committees are constituted, in each case to allow independent discussion of matters at issue. In addition, the TMX Group Board Code of Conduct, the Employee Code of Conduct and corporate and securities legislation require disclosure of conflicts by individual directors and officers.

Employees

We had a total of 1,208 employees as at December 31, 2018 compared with a total of 1,238 employees as at December 31, 2017. Further information on our total number of employees is contained in the ***“Compensation and benefits”*** section on page 29 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed elsewhere in this AIF, TMX Group is not aware of any material interest, direct or indirect of any director or executive officer of TMX Group, or any associate or affiliate of any such director or executive officer, in any transaction from April 28, 2011 (the date of incorporation of TMX Group) to December 31, 2018 or during the current financial year, or in any proposed transaction, that has materially affected or is reasonably expected to materially affect TMX Group.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for our common shares is TSX Trust Company at its principal offices in Toronto, Ontario.

MATERIAL CONTRACTS

The following are the only material contracts, other than the contracts entered into in the ordinary course of business, which were entered into in 2018 or which were entered into after January 1, 2002 that are still in effect:

Debentures

On September 30, 2013, TMX Group entered into a trust indenture dated September 30, 2013 (the “Trust Indenture”) with Computershare Trust Company of Canada, as trustee, which Trust Indenture has been supplemented by (i) the first supplemental indenture dated September 30, 2013 in respect of \$400 million aggregate principal amount of 3.253% Series A Senior Unsecured Debentures which matured on October 3, 2018; (ii) the second supplemental indenture dated September 30, 2013 in respect of \$250 million aggregate principal amount of 4.461% Series B Senior Unsecured Debentures due October 3, 2023 (“Series B Debentures”); (iii) the third supplemental indenture dated September 30, 2013 in respect of \$350 million aggregate principal amount of Series C floating rate Senior Unsecured Debentures which matured on October 3, 2016; (iv) the fourth supplemental indenture dated December 11, 2017 in respect of \$300 million aggregate principal amount of 2.997% Series D Senior Unsecured Debentures due December 11, 2024 (“Series D Debentures”); and (v) the fifth supplemental indenture dated June 5, 2018 in respect of \$200 million aggregate principal amount of 3.779% Series E Senior Unsecured Debentures due June 5, 2028 (“Series E Debentures”). The Series E Debentures were issued to accredited investors in

Canada on June 5, 2018 pursuant to a private placement offering and have been assigned a credit rating of A (high) with a Stable trend from DBRS.

Further information on the Series B Debentures, the Series D Debentures, the Series E Debentures and the Trust Indenture is contained under the “**Commercial Paper, Debentures, Credit and Liquidity Facilities**” sections on pages 38 to 42 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

Credit Agreement

On May 2, 2016, TMX Group entered into an amended and restated credit agreement (as amended, the “Credit Agreement”) with a syndicate of lenders to provide a backstop to the commercial paper program and for general corporate purposes. The Credit Agreement replaced our existing 2014 credit agreement. Up to \$500.0 million or the U.S. dollar equivalent is authorized under both the Credit Agreement and the commercial paper program. On December 14, 2017, in connection with the acquisition of Trayport and sale of Natural Gas Exchange Inc. and Shorcan Energy Brokers Inc., we amended the Credit Agreement to, among other things, extend the maturity date to May 2, 2020 and implement a less restrictive total leverage ratio. On September 12, 2018, the maturity date of the Credit Agreement was further extended to May 2, 2021.

Further information on the Credit Agreement is contained under the “**Commercial Paper, Debentures, Credit and Liquidity Facilities**” sections on pages 38 to 42 of our 2018 Annual MD&A, which is incorporated by reference into this AIF.

Copies of the Trust Indenture (including all supplements thereto) and the Credit Agreement (including all amendments thereto) have been filed on SEDAR and are available at www.sedar.com.

EXPERTS

Our auditor is KPMG LLP, who has prepared the Independent Auditors’ Report to the shareholders of TMX Group in respect of our audited annual consolidated financial statements for the years ended December 31, 2018 and 2017. KPMG LLP are the auditors of TMX Group and have confirmed that they are independent with respect to TMX Group and its related entities within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations from January 1, 2018 to February 13, 2019.

ADDITIONAL INFORMATION

Additional information about us, including directors’ and officers’ remuneration and indebtedness, principal holders of our securities (where applicable), options to purchase securities and interests of insiders in material transactions (where applicable), and our corporate governance approach and procedures, may be found in our management information circular for our most recent annual meeting of shareholders that involved the election of directors. We also provide additional financial information in the 2018 Annual Financial Statements and in the 2018 Annual MD&A.

We will provide to any person, upon request to our Investor Relations Department at 300 - 100 Adelaide Street West, Toronto, Ontario, M5H 1S3 (or phone (416) 947-4277 or 1 (888) 873-8392; fax (416) 947-4444; or email TMXshareholder@tmx.com), a copy of this AIF and any documents we incorporate by

reference, a copy of the 2018 Annual Financial Statements together with the accompanying auditors' report and the 2018 Annual MD&A, a copy of any interim financial reports and related interim management's discussion and analysis subsequent to the financial statements for the year ended December 31, 2018. If you are not a shareholder of TMX Group, we may require you to pay a reasonable charge for a copy of any of these documents. Additional information about us, including copies of these documents, may be found on our website at www.tmx.com and on SEDAR at www.sedar.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This AIF of TMX Group contains "forward-looking information" (as defined in applicable Canadian securities legislation) that is based on expectations, assumptions, estimates, projections and other factors that management believes to be relevant as of the date of this AIF. Often, but not always, such forward-looking information can be identified by the use of forward-looking words such as "plans," "expects," "is expected," "budget," "scheduled," "targeted," "estimates," "forecasts," "intends," "anticipates," "believes," or variations or the negatives of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will" be taken, occur or be achieved or not be taken, occur or be achieved. Forward-looking information, by its nature, requires us to make assumptions and is subject to significant risks and uncertainties which may give rise to the possibility that our expectations or conclusions will not prove to be accurate and that our assumptions may not be correct.

Examples of forward-looking information in this AIF include, but are not limited to, growth objectives; our target dividend payout ratio; the ability of TMX Group to de-leverage and the timing thereof; TMX Group's business integration initiative including the modernization of clearing platforms, including the expected cash expenditures related to the modernization of our clearing platforms and the anticipated cost savings resulting from this initiative and the timing of the modernization and the anticipated savings; other statements related to cost reductions; the impact of the decrease of market capitalization of TSX and TSXV issuers overall (from 2017 to 2018) net of changes to sustaining fees on TMX Group's revenue; TMX Group's anticipated statutory income tax rate for 2019; factors relating to stock, and derivatives exchanges and clearing houses and the business, strategic goals and priorities, market conditions, pricing, proposed technology and other initiatives, financial results or financial condition, operations and prospects of TMX Group which are subject to significant risks and uncertainties.

These risks include: competition from other exchanges or marketplaces, including alternative trading systems and new technologies, on a national and international basis; dependence on the economy of Canada; adverse effects on our results caused by global economic conditions or uncertainties including changes in business cycles that impact our sector; failure to retain and attract qualified personnel; geopolitical and other factors which could cause business interruption; dependence on information technology; vulnerability of our networks and third party service providers to security risks, including cyber-attacks; failure to properly identify or implement our strategies; regulatory constraints; constraints imposed by our level of indebtedness, risks of litigation or other proceedings; dependence on adequate numbers of customers; failure to develop, market or gain acceptance of new products; failure to effectively integrate acquisitions to achieve planned economics, or divest under-performing businesses; currency risk; adverse effect of new business activities; adverse effects from business divestitures; not being able to meet cash requirements because of our holding company structure and restrictions on paying dividends; dependence on third-party suppliers and service providers; dependence of trading operations on a small number of clients; risks associated with our clearing operations; challenges related to international expansion; restrictions on ownership of TMX Group common shares; inability to protect our intellectual property; adverse effect of a systemic market event on certain of our businesses; risks

associated with the credit of customers; cost structures being largely fixed; the failure to realize cost reductions in the amount or the time frame anticipated; dependence on market activity that cannot be controlled; the regulatory constraints that apply to the business of TMX Group and its regulated subsidiaries, costs of on exchange clearing and depository services, trading volumes (which could be higher or lower than estimated) and revenues; future levels of revenues being lower than expected or costs being higher than expected.

Forward-looking information is based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions in connection with the ability of TMX Group to successfully compete against global and regional marketplaces; business and economic conditions generally; exchange rates (including estimates of exchange rates from Canadian dollars to the U.S. dollar or British pound sterling), commodities prices, the level of trading and activity on markets, and particularly the level of trading in TMX Group's key products; business development and marketing and sales activity; the continued availability of financing on appropriate terms for future projects; productivity at TMX Group, as well as that of TMX Group's competitors; market competition; research and development activities; the successful introduction and client acceptance of new products; successful introduction of various technology assets and capabilities; the impact on TMX Group and its customers of various regulations; TMX Group's ongoing relations with its employees; and the extent of any labour, equipment or other disruptions at any of its operations of any significance other than any planned maintenance or similar shutdowns.

In addition to the assumptions outlined above, forward looking information related to long term revenue compound annual growth rate ("CAGR") objectives, and long term adjusted earnings per share CAGR objectives are based on assumptions that include, but not limited to:

- TMX Group's success in achieving growth initiatives and business objectives;
- continued investment in growth businesses and in transformation initiatives including next generation post-trade systems;
- no significant changes to our effective tax rate, recurring revenue, and number of shares outstanding;
- moderate levels of market volatility;
- level of listings, trading, and clearing consistent with historical activity;
- economic growth consistent with historical activity;
- no significant changes in regulations;
- continued disciplined expense management across our business;
- continued re-prioritization of investment towards enterprise solutions and new capabilities; and
- free cash flow generation consistent with historical run rate.

While we anticipate that subsequent events and developments may cause our views to change, we have no intention to update this forward-looking information, except as required by applicable securities law.

This forward-looking information should not be relied upon as representing our views as of any date subsequent to the date of this AIF. We have attempted to identify important factors that could cause actual actions, events or results to differ materially from those current expectations described in forward-looking information. However, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and that could cause actual actions, events or results to differ materially from current expectations. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These factors are not intended to represent a complete list of the factors that could affect us. A description of the above-mentioned items is contained in the section “**Risks and Uncertainties**” of our 2018 Annual MD&A which is incorporated by reference into this AIF.

TRADEMARKS

Groupe TMX, TMX, TMX Datalinx, TMX Group, Toronto Stock Exchange, TSX, and TSX Venture Exchange are the trademarks of TSX Inc.

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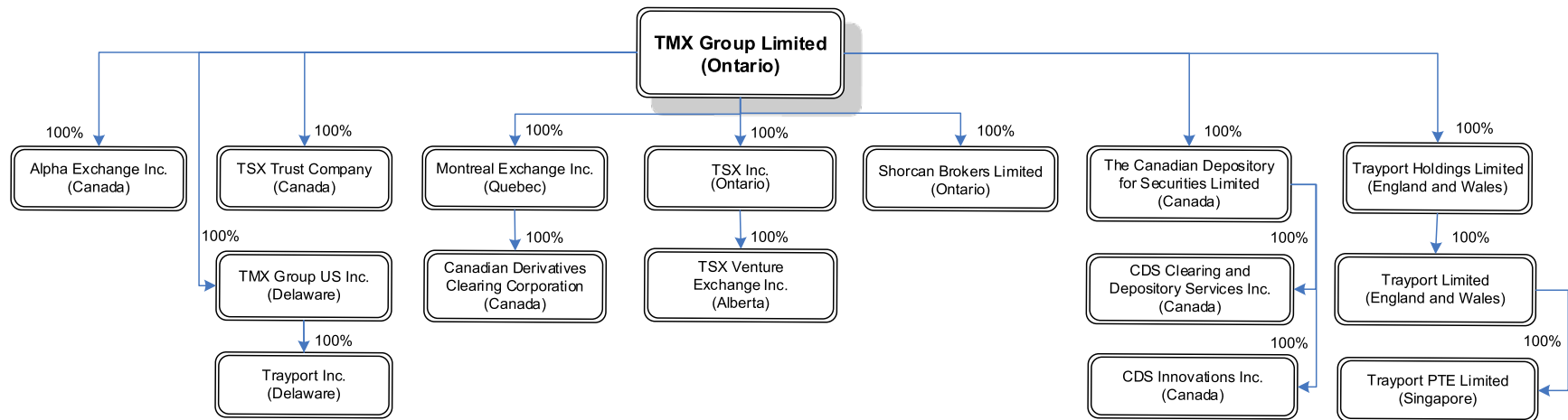
Trayport is the trademark of Trayport Limited and is used under license.

All other trademarks used in this AIF are the property of their respective owners.

APPENDIX A

Intercorporate Relationships

We carry on our business principally directly or indirectly through the companies shown below. This chart outlines the jurisdiction in which each company was incorporated, continued, formed or organized and the percentage of votes attaching to all voting securities of each company held directly or indirectly by TMX Group or its subsidiaries.



APPENDIX B

Ratings and Trends

Issuer Credit Rating

DBRS rating analysis begins with an evaluation of the fundamental creditworthiness of the issuer taking into account its business and financial risks. Based on an analysis of the relevant methodologies, policies and procedures, DBRS assigns an issuer rating that indicates its assessment of the likelihood of default. Ratings that apply to actual securities (secured or unsecured) may be higher, lower or equal to the issuer rating for a given entity. The issuer rating is the reference point used in assigning ratings to an issuer's individual debt securities, with the most senior debt of investment grade companies typically assigned a rating equal to the issuer rating. The issuer rating is also the reference point for commercial paper and preferred share ratings. DBRS typically assigns issuer ratings on a long-term basis using its long-term obligations rating scale; however, DBRS may assign a "short-term issuer rating" using its commercial paper and short term debt rating scale to reflect the issuer's overall creditworthiness over a short-term time horizon.

Long-Term Debt - Senior Unsecured Debt

DBRS' long-term rating scale provides an opinion on the risk of default. That is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which obligations have been issued. Ratings are based on quantitative and qualitative considerations relevant to the issuer, and the relative ranking of claims. All rating categories other than AAA and D also contain subcategories "(high)" and "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category.

The A rating is ranked third of ten rating categories. Long-term debt rated A is of good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. Entities may be vulnerable to future events, but qualifying negative factors are considered manageable.

Short-Term Debt - Commercial Paper

DBRS' short-term debt rating scale provides an opinion on the risk that an issuer will not meet its short-term financial obligations in a timely manner. Ratings are based on quantitative and qualitative considerations relevant to the issuer and the relative ranking of claims. The R-1 and R-2 rating categories are further denoted by the subcategories "(high)", "(middle)", and "(low)".

The R-1 rating is ranked first of six rating categories. Short-term debt rated R-1(low) is of good credit quality. The capacity for the payment of short-term financial obligations as they fall due is substantial, but the overall strength is not as favorable as higher ratings. Entities may be vulnerable to future events, but qualifying negative factors are considered manageable.

Rating Trends

Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for a rating. Rating trends have three categories: "Positive," "Stable" or "Negative." The rating trend indicates the direction in which DBRS considers the rating may move if present circumstances continue, or in certain cases as it relates to the Corporate Finance sector, unless challenges are addressed by the issuer. DBRS assigns rating trends based primarily on an evaluation of the issuing entity or guarantor itself, but may also include

consideration of the outlook for the industry or industries in which the issuing entity operates, giving consideration to developments that could positively or negatively impact the sector or the company's debt position within the sector. It is often the rating trend that reflects the initial pressures or benefits of a changing environment rather than an immediate change in the rating. A Positive or Negative trend is not an indication that a rating change is imminent. Rather, a Positive or Negative trend represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a Stable trend were assigned to the security. Generally, the conditions that lead to the assignment of a Negative or Positive trend are resolved within a 12-month period. However, in some instances, new factors emerge that may cause the Positive or Negative trend to be maintained, even as the original factors become clarified or resolved. DBRS generally notes any changes to the basis for the Positive or Negative trend.

APPENDIX C
Finance & Audit Committee Charter

TMX GROUP LIMITED
(the “Corporation”)
FINANCE AND AUDIT COMMITTEE CHARTER

1. General

The Board of Directors of the Corporation (the “Board”) has established a Finance and Audit Committee (the “Committee”) to take steps on its behalf as are necessary to assist the Board in fulfilling its oversight responsibilities regarding:

- (a) financial reporting and disclosure;
- (b) oversight of internal controls and receipt of complaints including the whistleblower hotline;
- (c) external audit;
- (d) internal audit and the provision of assurance;
- (e) risk management;
- (f) financial planning, investment opportunities and treasury activities;
- (g) pension plan(s); and
- (h) any additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Members

The Board will in each year appoint a minimum of four (4) directors as members of the Committee. All members of the Committee will be independent directors as required by law and all recognition orders and exemption orders issued in respect of the Corporation by applicable securities regulatory authorities.

All members of the Committee shall be financially literate. While the Board shall determine the definition of and criteria for financial literacy, this shall, at a minimum, include the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

The Chief Executive Officer (“CEO”) of the Corporation and, to the extent the Chair of the Board is not otherwise a member of the Committee, the Chair, and all other non-management directors who are not members of the Committee may attend all meetings of the Committee in an ex-officio capacity and will not vote. Directors who are also members of management, other than the CEO, shall be entitled to attend meetings of the Committee if invited to do so by the Chair of the Committee. The CEO shall not attend in-camera sessions.

3. Duties

The Committee shall have the following duties:

(a) Financial Reporting and Disclosure

1. Annual Financial Reporting: Review the audited annual financial statements, all related management's discussion and analysis ("MD&A"), and earnings press releases for submission to the Board for approval, as well as material financial viability tests and debt covenants.
2. Quarterly Financial Reporting: Review the quarterly financial statements, the related MD&A, and earnings press releases for submission to the Board for approval, as well as material financial viability tests and debt covenants.
3. Significant Accounting Principles and Disclosure Issues: Review with management and the external auditor, significant accounting principles and disclosure issues, including complex or unusual transactions, significant management judgments and estimates, significant changes to accounting principles, and alternative treatments under Canadian GAAP for material transactions. This shall be undertaken with a view to understanding their impact on the financial statements, and to gaining reasonable assurance that the statements are accurate, complete, do not contain any misrepresentations, and present fairly in all material respects the Corporation's financial position, financial performance and cash flows in accordance with Canadian GAAP.
4. Compliance: Confirm through discussions with management that Canadian GAAP and all applicable laws or regulations related to financial reporting and disclosure have been complied with.
5. Legal Events and Contingencies: Review any actual or anticipated litigation or other contingent events, including tax assessments or other tax matters, which could have a material current or future effect on the Corporation's financial statements, and the manner in which these have been disclosed in the financial statements.
6. Other Disclosures: Satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information, other than the public disclosure of the information referred to in sections 1 and 2 above, and periodically assess the adequacy of those procedures.

(b) Oversight of Internal Controls and Receipt of Complaints

1. Oversight, Review and Assessment: Oversee, review and assess the adequacy and effectiveness of the Corporation's system of internal controls, which include internal control over financial reporting and disclosure controls and procedures (as such terms are defined in National Instrument 52-109 -Certification of Disclosure in Issuers' Annual and Interim Filings. (collectively, "internal controls")).
2. Payments and Withholdings: Obtaining from management adequate assurances that all statutory payments and withholdings have been made.

3. Fraud: Oversee investigations of alleged fraud and illegality relating to the Corporation's finances.
4. Complaints: Review with management that appropriate procedures exist for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters, and for the protection from retaliation of those who report such complaints in good faith. Review complaints and submissions pursuant to these procedures.

(c) External Audit

1. Appointment or Replacement: Recommend the appointment or replacement of the external auditor to the Board, who will consider the recommendation prior to submitting the nomination to the shareholders for their approval and oversee the orderly transition to a new external auditor, if required.
2. Compensation: Review with management, and make recommendations to the Board, regarding the compensation of the external auditor.
3. Reporting Relationships: The Committee has responsibility for the oversight of the external auditor who reports directly to the Committee.
4. Performance: Review with management, on a regular basis, the terms of the external auditor's engagement, accountability, experience, qualifications and performance. Evaluate the qualifications and performance of the external auditor, including the lead audit partner, and conduct a comprehensive review every five years.
5. Audit Plan: Review the audit plan and scope of the external audit with the external auditor and management, and discuss with the external auditor any significant changes required in the approach or scope of their audit plan, management's handling of any proposed adjustments identified by the external auditor, and any actions or inactions by management that limited or restricted the scope of their work.
6. Review of Results: Review, in the absence of management, the results of the annual external audit, the audit report thereon and the auditor's review of the related MD&A, and discuss with the external auditor the quality of accounting principles used, any alternative treatments of financial information that have been discussed with management, the ramifications of their use and any other material communications with management.
7. Disagreements with Management: Resolve any disagreements between management and the external auditor regarding financial reporting.
8. Material Written Communications: Review all other material written communications between the external auditor and management, including the post-audit management letter containing the recommendations of the external auditor, management's response and, subsequently, follow up on identified weaknesses.

9. Interim Financial Statements: Engage the external auditor to review all interim financial statements and review, in the absence of management, the results of the auditor's review of the interim financial statements and the auditor's review of the related MD&A.
10. Other audit matters: Review any other matters related to the external audit that are to be communicated to the Committee under generally accepted auditing standards.
11. Meeting with External Auditor: Meet with the external auditor in the absence of management at least quarterly to discuss and review specific issues as appropriate as well as any significant matters that the external auditor may wish to bring to the Committee for its consideration.
12. Correspondence: Review with management and the external auditor any correspondence with regulators or governmental agencies, employee complaints or published reports that raise material issues regarding the Corporation's financial statements or accounting policies.
13. Independence: At least annually, and before the external auditor issues its report on the annual financial statements, review and confirm the independence of the external auditor through discussions with the auditor on their relationship with the Corporation, including details of all non-audit services provided. Consider the safeguards implemented by the external auditor to minimize any threats to their independence, and take action to eliminate all factors that might impair, or be perceived to impair, the independence of the external auditor. Consider the number of years the lead audit partner has been assigned to the Corporation, and consider whether it is appropriate to recommend to the Board a policy of rotating the lead audit partner more frequently than every seven years, as is required under Canadian independence standards.
14. Non-Audit/Audit Services: Pre-approve any non-audit services to be provided to the Corporation or its subsidiaries by the external auditor, with reference to compatibility of the service with the external auditor's independence.
15. Hiring Policies: Review and approve the hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

(d) Internal Audit and the Provision of Assurance

1. Chief Internal Auditor: Review and approve the appointment, replacement or dismissal of the CIA. The CIA reports to the Chair of the Committee functionally and the Chief Financial Officer ("CFO") administratively.
2. Resources and Independence: Obtain reasonable assurance that the Internal Audit department of the Corporation has adequate resources and has sufficient independence from management.
3. Assurance Activities: Review with management and the CIA the mandate, staffing, plans, activities, and results of the Corporation's assurance providers to gain reasonable assurance that their activities are appropriately comprehensive, effective and coordinated with the external auditor.

4. Assurance Findings: Discuss the impact of any significant assurance findings, together with the appropriateness of management's response, on the adequacy and effectiveness of the Corporation's system of internal controls.
5. Meeting: Meet with the CIA in the absence of management at least annually to discuss and review specific issues as appropriate as well as any significant matters that the CIA may wish to bring to the Committee for its consideration, including a discussion of any restrictions or limitations placed on the CIA with respect to scope of work or access to required information.

(e) Risk Management

1. Enterprise Risk Management: Oversee the adequacy and operating effectiveness of the Corporation's Enterprise Risk Management ("ERM") program, including
 - Reviewing and recommending the Corporation's Tier 1 ERM Policy and Risk Appetite Statements for submission to the Board for approval annually;
 - Overseeing the activities of the Corporation's Risk Management Committee ("RMC");
 - Assessing the adequacy of the Corporation's risk management policies, processes and systems to manage the Key Enterprise Risks;
 - Reviewing periodic reports from the Corporation's Chief Risk Officer ("CRO"); and
 - Obtaining reasonable assurance that the Risk Management division of the Corporation has adequate resources and has sufficient independence from the management.
2. Chief Risk Officer: Review and approve the appointment, replacement or dismissal of the CRO. The CRO reports to the Chair of the Committee functionally and the President & CEO, Global Enterprise administratively.
3. Meeting: Meet with the CRO in the absence of management at least annually to discuss and review specific issues as appropriate as well as any significant matters that the CRO may wish to bring to the Committee for its consideration, including a discussion of any restrictions or limitations placed on the CRO with respect to scope of work or access to required information.

(f) Financial Planning, Investment Opportunities and Treasury Activities

1. Business Plan: Review the financial assumptions set out in the Business Plan, including the annual Operating and Capital Budgets for submission to the Board for approval. Review periodic financial forecasts.
2. Investment Opportunities: Review and assess investment opportunities of a value exceeding management's authority, in accordance with procedures established by the Board from time to time.

3. Guidelines and Policies: Review and approve guidelines and policies for the investing of cash and marketable securities and review reports from management on the results of such investments against established benchmarks.
4. Treasury Activities and Capital Plan: Review and assess management's plans with respect to: managing capital; dividend recommendations and hedging transactions in accordance with procedures established by the Board from time to time.

(g) Pension Plan(s)

1. Oversight: Review and assess management's reports on pension plan oversight including:
 - (i) Review management controls and processes with respect to the administration of investment activities, financial reporting and funding of the plan(s).
 - (ii) Confirm the following appointments for the management of the plan(s), subject to exceptions where the appointment authority is assigned to another party as per plan documents:
 - Auditor
 - Trustee
 - Fund Manager
 - (iii) Annually, or as required, together with the Human Resources Committee, appoint members to management's Pension Committee.
 - (iv) Review the actuarial assumptions used for the valuation, including the rate of return on investments and the discount rate used to arrive at the funding requirements.
 - (v) Review and approve the plan(s) investment objectives and guidelines annually and amend if necessary.
 - (vi) Review the investment performance of the funds and the investment managers, and their compliance with the investment objectives and guidelines and applicable legislation.
 - (vii) Review and approve the annual audited financial statements of the plan(s).

(h) Communication

1. Coordination with Management: The Committee will coordinate with management on audit and financial matters, and will:
 - Meet privately with management to discuss any areas of concern to the Committee or management; and

- Review expenses incurred by the Chair of the Board and CEO of the Corporation. Ensure that the CEO reviews all expenses incurred by direct executive reports of the CEO.

(i) Board Relationship and Reporting

1. Adequacy of Charter: Review and assess the adequacy of the Committee Charter annually and submit such amendments as the Committee proposes to the Governance Committee.
2. Disclosure: Oversee appropriate disclosure of the Committee's Charter, and other information required to be disclosed by applicable legislation, in the Corporation's Annual Information Form and all other applicable disclosure documents.
3. Reporting: Report regularly to the Board on Committee activities, issues and related recommendations.

4. Chair

The Board will in each year appoint the Chair of the Committee. The Chair shall have accounting or related financial expertise. In the Chair's absence, or if the position is vacant, the Committee may select another member as Chair. The Chair will have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and will, in any event, advise all other members of any decisions made or powers exercised.

5. Meetings

The Committee shall meet at the request of its Chair, but in any event it will meet at least four times a year. Notices calling meetings shall be sent to all Committee members, to the CEO of the Corporation, to the Chair of the Board and to all other directors. The external auditor or any member of the Committee may call a meeting of the Committee.

6. Quorum

A majority of members of the Committee, present in person, by teleconferencing, or by videoconferencing will constitute a quorum.

7. Removal and Vacancy

A member may resign from the Committee, and may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to be a director. The Board will fill vacancies in the Committee by appointment from among the directors of the Board in accordance with Section 2 of this Charter. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all its powers.

8. Experts and Advisors

The Committee may retain or appoint, at the Corporation's expense, such experts and advisors as it deems necessary to carry out its duties, and to set and pay their compensation. The Committee shall provide notice to the Governance Committee of its actions in this regard.

9. Secretary and Minutes

The Chair of the Committee or such person who is acting as the Chair of a meeting of the Committee, will appoint a person to act as Secretary of the Committee. The minutes of the Committee will be in writing

and duly entered into the books of the Corporation. The minutes of the Committee will be circulated to all members of the Board.