

Toronto
Futures
Options
Swaps
Exchange

Better Options for Derivatives.

Technology • Flexibility • Scale

>>> Corporate Overview

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6 tFOSE.

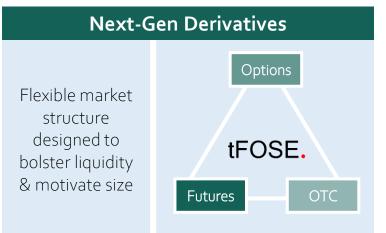
>>> Better Options for Derivatives.

tFOSE is a new derivatives exchange and clearinghouse (subject to regulatory approval) that will build innovative products, unlock global liquidity and expand investor choices. Supported by a diverse team of markets and technology experts in cooperation with globally renowned Canadian regulatory oversight, tFOSE is well equipped to disrupt a monopolized market while pursuing international ambitions.

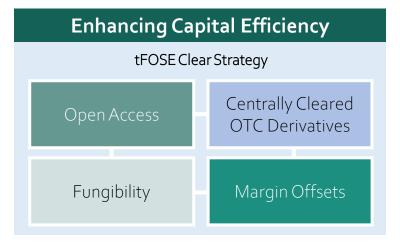
>> Who is tFOSE?

Seasoned Management Seasoned Management Seasoned Management Seasoned Management ITMX OSC SECURITIES OCC BND BND Liquidnet Multi-asset class leaders with expertise in trading & clearing operations, derivatives, financial technology & capital markets











L← Canadian Cash Equities (~2007 – present)

- Canadian equity volumes doubled in the 6-year period following the introduction of competition: benefitting not only new entrants, but the incumbent exchange as well
- Throughout this period, the incumbent exchange went from a 100% to 50% market share however profits continued to rise from increased order flow

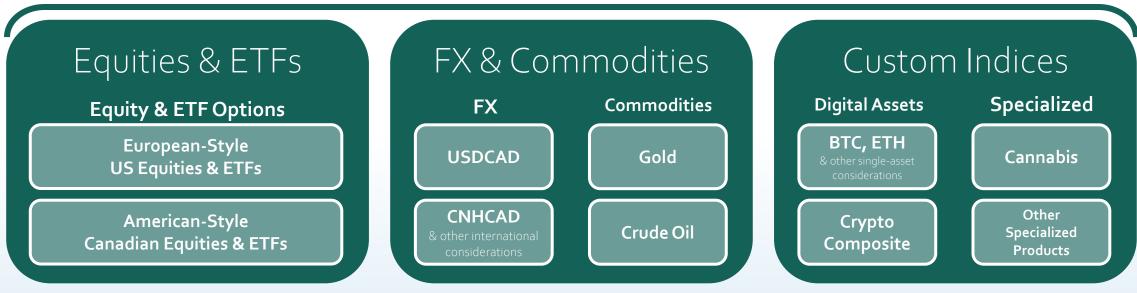
United States Options (~1999 – present)

- In the last 20 years, US options trading volumes grew nearly 10x
- Subsequent to the falling of the "Gentleman's Agreement" between options exchanges (which prohibited trading each other's products), increased competition spurred exponential growth in trading volumes

>>> Working directly with partners to design the right products for investors.

Phase 1 Release: Options

Upon Launch



Phase 2 Release: Futures

After Launch

Phase 2+ Release: OTC

After Launch

Interest Rates Equity Indices

Commodities

Other (TBD) Working directly with banks to facilitate transition towards centrally clearing OTC derivatives trades

Open Access

Non-discriminatory access between CCPs and trading venues, improving margin efficiency

Fungibility

Full fungibility between products traded on separate venues, lowering investor costs

Centrally Cleared OTC Derivatives

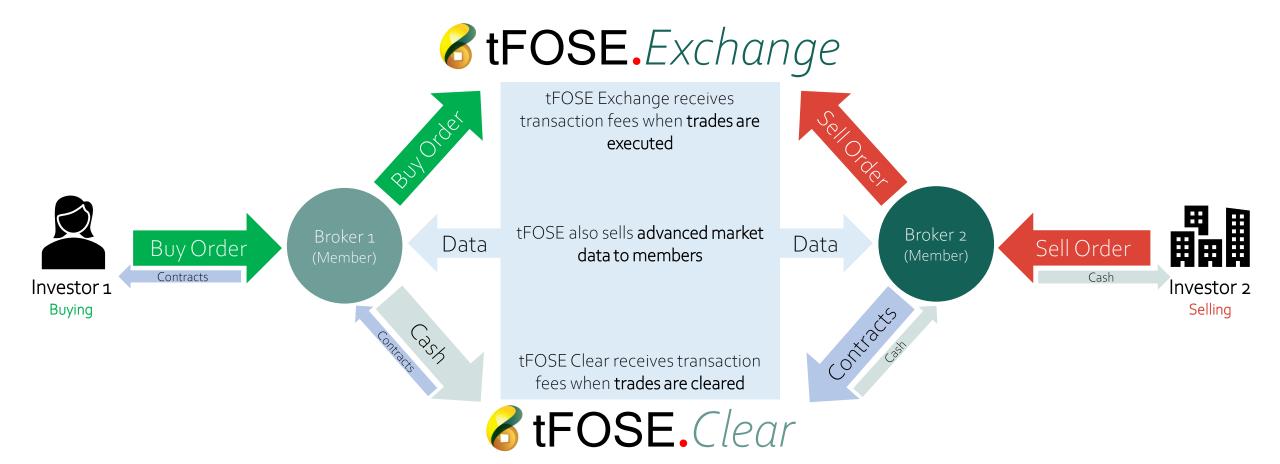
Well positioned to facilitate transition towards centrally clearing OTC derivatives trades

Margin Offsets

A modernized collateral recognition framework, crediting a wider range of quality assets

Goal

Enhanced capital efficiency & risk management for clients



6 tFOSE. Multi Asset Class Leaders, Global DNA

John Fennell

Chief Risk Officer

Derivatives clearing expert

serving various instrumental

roles at the world's largest

options clearinghouse

Al Kovacs

COO, Trading

Capital markets and digital asset

executive specialized in

marketplace, dealer operations,

regulation and risk management

Corporate Overview Presentation

Executive Management



James Beattie, CFA CEO

Respected risk capital specialist, business interventionist and markets executive across asset classes



CIBC CIBC World Markets







Randee Pavalow **General Counsel**

Legal and regulatory leader with notable Canadian provincial securities regulation and exchange building experience







Jim Davies EVP, Corp. Dev.

Market technology & business development executive with leadership experience in Canada and USA







Winville Larcher SVP, Client Management

Executive with extensive knowledge of global financial institutions & trading and sales of cash and derivative products













Madeline Yu, CPA **CFO**

Experienced chartered accountant, public company CFO and private investment fund advisor



Beutel Family Investments



Daju Gu COO, Operations, Clearing and IT

Business operations leader with executive roles at leading banks and exchanges





Trusted Advisors



Rahul Suri Corp. Strategy Advisor

CLARITI STRATEGIC ADVISORS Award-winning global investment banker, private equity professional and corporate finance lawyer



BMO Capital Markets THE CARLYLE GROUP



Rik Parkhill

Corp. Strategy Advisor

CLARITI STRATEGIC ADVISORS Senior corporate strategist with experience managing international banks, brokers and securities exchanges













Liquidnet





Recognition Order Roadmap

Corporate Overview Presentation

 File applications to operate a derivatives exchange & clearinghouse with the Canadian **Securities Administrators**



• Hire additional executives (CRO, COO Trading)



• Public comment preparation period

- Recognition Order
- Industry testing
- Technology revisions
- Regulatory approvals supporting go live





- Legal & executive team hired
- Contract signed with global markets technology leader



 Sign partnership with two leading index providers



- Launch market outreach program
- Requirements revisions



- Public comment period followed by response to comments
- Infrastructure build and industry revisions





>>> Contact

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