Canadian Securities Administrators — Autorités canadiennes en valeurs mobilières

# CSA Notice of Amendments to National Instrument 23-101 *Trading Rules* and Changes to Companion Policy 23-101 *Trading Rules*

**April 23, 2026**

**Introduction**

The Canadian Securities Administrators (the **CSA** or **we**) are publishing in final form amendments to National Instrument 23-101 *Trading Rules* (**NI 23-101**) (the **Amendments**) and accompanying changes to Companion Policy to NI 23-101 *Trading Rules* (**NI 23-101CP**) (the **CP Changes**).

The Amendments and CP Changes modify section 6.6.1 of NI 23-101 to lower the active trading fee cap[1] applicable to trades in securities that are listed on both a Canadian recognized exchange and a U.S. registered national securities exchange (**U.S. Inter-listed Securities**) and make related changes to NI 23-101CP.

We are publishing clean and blacklined versions of the text of the Amendments and CP Changes in Annexes A through D to this notice, together with summary of comments at Annex E. The text of the Amendments and CP Changes will also be available on the websites of the CSA jurisdictions, including:

www.lautorite.qc.ca
www.asc.ca
www.bcsc.bc.ca
www.nssc.novascotia.ca
www.fcnb.ca
www.osc.ca
www.fcaa.gov.sk.ca
www.mbsecurities.ca

Provided all necessary ministerial approvals are obtained, the Amendments will come into force on, and the CP Changes will take effect on **November 2, 2026.**

In a related initiative, the Canadian Investment Regulatory Organization (**CIRO**) published an approval to amend subsection 6.1(1) of the Universal Market Integrity Rules to align Canadian trading increments for certain U.S. Inter-listed Securities with the equivalent minimum pricing increment for these securities in the U.S.[2]

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[1] An active trading fee refers to the fee applied for executing an order that was entered to execute against a displayed order on a particular marketplace.

[2] www.ciro.ca/newsroom/publications/amendments-respecting-trading-increments

## Substance and Purpose

The Amendments and CP Changes lower the maximum fee for executing an order involving a U.S. Inter-listed Security priced at CAD $1.00 or more. The Amendments amend section 6.6.1 of NI 23-101 to cap active trading fees for U.S. Inter-listed Securities at CAD $0.0017 per share if the execution price of the security is greater than or equal to $1.00. Following this change, all equities priced at CAD $1.00 or more will have an active trading fee cap of CAD $0.0017. We will monitor the impact of the change in the fee cap over time and assess if further changes to the fee cap are required. Any further changes will be subject to public consultation.

## Background

Following a review by the CSA and CIRO of the U.S. Securities and Exchange Commission (**SEC**) amendments to establish a variable (and in many cases smaller) minimum trading increment for securities (**SEC Tick Size Rule**) and, in conjunction, reduce the trading fee caps charged in the U.S. (**SEC Trading Fee Rule**), the CSA published proposed amendments to NI 23-101 and changes to NI 23-101CP on January 23, 2025 (the **Request for Comment**) to reduce trading fee cap for U.S. Inter-listed Securities to CAD $0.0010 for securities inter-listed on a U.S. registered national securities exchange priced at or above CAD $1.00.[3] The trading fee cap proposed in the Request for Comment matched the SEC trading fee cap of USD $0.0010 without consideration of foreign exchange rates. After considering the comments received in response to the publication, we have made non-material changes to certain aspects of the proposals. For additional background on the substance and purpose of the Amendments and CP Changes, please refer to the Request for Comment.

The SEC Tick Size Rule and SEC Trading Fee Rule were originally to come into effect on November 3, 2025 but implementation was paused pending the outcome of litigation challenging the rules. They will now be implemented on November 2, 2026[4], which is the date on which the Amendments will come into force and CP Changes will take effect.

## Summary of Written Comments Received by the CSA

In response to the Request for Comment, we received 10 responses. We have considered the comments received and thank all the commenters for their input. A list of those who submitted comments, a summary of the comments and our responses are attached at Annex G to this notice. Copies of the comment letters are available at www.osc.ca and www.lautorite.qc.ca.

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[3] *CSA Notice and Request for Comment – Proposed Amendments to National Instrument 23-101* Trading Rules. The CSA and CIRO had earlier published a request for feedback on the SEC Tick Size Rule and the SEC Trading Fee Rule when they were first proposed by the SEC and published for comment: *CSA/CIRO Staff Notice 23-331 Request for Feedback on December 2022 SEC Market Structure Proposals and Potential Impact on Canadian Capital Markets* (19 October 2023).

[4] https://www.sec.gov/files/rules/exorders/2025/34-104172.pdf

**Summary of Notable Changes**

As noted above, the Request for Comment initially proposed lowering the trading fee cap for U.S. Inter-listed Securities to CAD $0.0010 per share if the execution price of the security is greater than or equal to $1.00, which aligns with the SEC Trading Fee Rule at USD $0.0010 per share. The rationale for the cap was to prevent order flow in Canadian securities migrating to U.S. marketplaces to avoid higher Canadian trading fees and to prevent potential share price distortions that may result from the combination of reduced minimum trading increments and high trading fees. However, there was little consensus among commenters on whether a trading fee cap of $0.0010 per share or alternative fee caps were more appropriate or would be effective in keeping order flow in Canada. Some commenters supported a trading fee cap of $0.0010, while the others supported trading fee caps ranging from $0.0017 to $0.0030 per share, while some supported removing the fee cap entirely. In particular, some commenters warned that a $0.0010 cap would make it more difficult for Canadian marketplaces to compete for order flow by offering higher rebates.

Adopting a $0.0017 trading fee cap for U.S. Inter-listed Securities lowers the trading fee cap from the existing $0.0030 per share while better approximating the Canadian dollar equivalent of the U.S. fee cap of USD $0.0010 (which is approximately CAD $0.0014 at current exchange rates), reflecting the current foreign exchange rate and providing marketplaces greater flexibility in setting their respective fee schedules. Additionally, a CAD $0.0017 trading fee cap for U.S. Inter-listed Securities creates a more simplified fee cap regime as that fee cap aligns with the cap for non-U.S. Inter-listed Securities.

The change from a $0.0010 to a $0.0017 fee cap is appropriate because:

- the higher fee cap gives marketplaces greater flexibility in setting trading fees,
- it does not result in a fee cap that is materially higher than the U.S. cap taking into account foreign exchange rates and is thus consistent with the rationale for lowering the fee cap for inter-listed securities, and
- the Request for Comment specifically asked whether a $0.0017 fee cap was more appropriate than the proposed $0.0010 fee cap and, as evidenced in Annex E, there was some support for a $0.0017 fee cap.

**Annexes**

- Annex A – Amendments to National Instrument 23-101 *Trading Rules*
- Annex B – Changes to Companion Policy 23-101 *Trading Rules*
- Annex C – Blackline Showing Amendments to National Instrument 23-101 *Trading Rules*
- Annex D - Blackline Showing Changes to Companion Policy 23-101 *Trading Rules*
- Annex E – Summary of Comments and CSA Responses
- Annex F – Local Matters

**Questions**

Please refer your questions to any of the following:

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