



British Columbia Securities Commission

October 19, 2006

Linda Hohol
President, TSX Venture Exchange
10th Floor, 300 Fifth Avenue S.W.
Calgary, AB T2P 3C4

Dear Ms. Hohol:

2005 Regulatory Oversight Review of TSX Venture Exchange Inc. (TSX Venture)

Thank you for your October 18, 2006 letter. Your responses to our audit satisfactorily address all but one issue identified in the Oversight Review Report. As your last letter correctly points out, we continue to have concerns relating to the offering of Direct Market Access. We acknowledge that the issues are complicated and we accept TSX Venture staff's offer to continue the dialogue to come to a solution that is acceptable to the BCSC. However, we expect that the TSX Venture will work closely with us to resolve our concerns in an expedient manner.

This letter concludes our audit. I would like to thank the staff of TSX Venture and TSX Group for their cooperation and professionalism during the course of the audit process.

Yours truly,

Mark Wang
Manager, Self-Regulatory Organization Oversight Branch
Capital Markets Regulation Division

cc: Lang Evans, BCSC
Barbara Insley, TSX Venture
David McKellar, ASC
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