

March 29, 2021

Wayne S. M. Ralph
Chief Operating Officer
CDS Clearing and Depository Services Inc.
100 Adelaide Street West
Toronto, Ontario

RE: Revised Proposal to Eliminate Fee Rebate Model and Proposed Amendments to Eliminate Network Connectivity Fees and to Eliminate Report File Transmission Fees

Dear Mr. Ralph,

Thank you for the opportunity to comment on the revised proposal by CDS Clearing and Depository Services Inc. to eliminate fee rebate model, network connectivity fees and report file transmission fees.

Ensuring the currency of financial market infrastructure is of critical importance to the long-term stability of Canadian capital markets. While we, as participants, continue to provide input for improvements to CDS's systems that we feel would be of value to us via CDS's Participant Advisory Committees, opposition to the PTM initiative, and its attendant costs, could be detrimental to the short- and long-term efficiency, availability, and reliability of Canada's financial market infrastructure.

We are also aware that CDS continues to provide an independent pricing benchmark study on a tri-annual basis, each of which has demonstrated that CDS's fees, before accounting for the payment of rebates to its participants, are either lowest or second lowest for clearing, settlement and custody amongst its closest comparators.

We also recognize that CDS's Board of Directors has approved the PTM program and endorsed rebate elimination as a sensible tool for CDS to fund its modernization effort.

In summary, we welcome a fee review to help support this important initiative which could include rebate elimination in lieu of higher fees as the preferred funding mechanism as well as a possible reduction of network connectivity fees and report fees as a means to reducing financial impact on the participant community.

Sincerely,



Kelsey Gunderson
President and Chief Executive Officer of Laurentian Bank Securities

CC.

Me Philippe Lebel

Secrétaire général, et directeur général des affaires juridiques

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