



NEWS RELEASE

For immediate release

Alpha IntraSpread™

Establishing a new Benchmark for Execution Quality

Toronto – July 12, 2011 - Alpha Group today announced that the Alpha IntraSpread™ dark pool has experienced a steady ramp up in volume traded since its June 20th, 2011 launch date, culminating yesterday in a daily volume traded close to 5 million shares. Furthermore, the Alpha IntraSpread™ is delivering on all expectations with respect to execution quality.

Yesterday, July 11th, 2011, the early adopters of the Alpha IntraSpread™ traded 4,744,100 shares across 101 securities. The 5,597 trades represented a total value traded of \$76,201,412. “We are very pleased with the early results of our new facility,” indicated Jos Schmitt, CEO of Alpha Group. “It is particularly encouraging considering the fact that currently only a limited number of dealers have the technology in place to properly access it.”

The volume traded is an interesting measure of early success and promise for future growth. The true success of the early days of the Alpha IntraSpread™, however, is that it has proven how the right market structure solutions can substantially improve the quality of execution in the Canadian marketplace. This is demonstrated through the following facts:

- Yesterday, the cumulated gains, as measured by the price improvement, for retail investors with marketable orders - subsequent to their dealers using the Alpha IntraSpread™ and executing trades that were price improved over the National Best Bid and Offer - were in excess of \$5,000 (over \$14,000 since launch).
- Retail investor orders are also being executed with little risk of being gamed, as the Alpha IntraSpread™ prevents information leakage by not sending out indications of interest and by leveraging its unique matching algorithm.
- Liquidity providers, posting dark orders in the Alpha IntraSpread™, avoided trading at sub-optimal prices by being protected from toxic flows and information leakage.
- Yesterday, the average size of trades executed on the Alpha IntraSpread™ was 848 shares - double the average trade size of all other marketplaces and thereby

providing the retail investors and liquidity providers with far better execution immediacy (44 trades were of a size of 10,000 shares or greater).

In addition to all of these quality of execution benefits, retail brokers were also able to substantially decrease their cost of trading:

- Active fees in the Alpha IntraSpread™ are \$0.0004 per share for securities with a value equal or above \$1, and of \$0.0001 per share for securities with a value below \$1.
- Back-office processing costs are considerably reduced as a consequence of the higher average trade size and thus lower trade fragmentation on a per order basis.

“The demonstrated impact of the Alpha IntraSpread™ on the quality of execution and on trading costs will no doubt accelerate the demand and resulting technology initiatives aimed at supporting it” continued Jos Schmitt. “Furthermore, it demonstrates the principles that we at Alpha stand for: quality of execution at minimal cost; and successful market structure innovation driven by the better interests of the various industry stakeholders involved – retail, buy-side, sell-side or value-adding HFTs.”

“Let me be clear,” concluded Schmitt. “These stakeholders are more and more sensitive to the toxicity of a marketplace when deciding where to trade. This is an issue that the Alpha IntraSpread™ has eliminated.”

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About Alpha Group - Alpha Group comprises the leading Alternative Trading System for Canadian Securities - Alpha ATS, and a data distribution plant for Alpha ATS market data. Alpha Group was established in May, 2007 by nine of Canada’s leading financial institutions with the aim of increasing the country’s securities trading efficiencies and making the Canadian marketplace more globally competitive. Established for the Industry, by the Industry, the Alpha Group focuses on increasing liquidity, reducing the cost of trading and providing innovative services leveraging its unique expertise, operating model and technological capabilities.

For further information regarding Alpha Group, visit www.alpha-group.ca.