REQUEST FOR COMMENT
CANADIAN SECURITIES ADMINISTRATORS / INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA JOINT NOTICE 23-312
TRANSPARENCY OF SHORT SELLING AND FAILED TRADES

1. Introduction

In recent years, there have been numerous international developments regarding the regulation of short sales and failed trades. A working group (the "Working Group") comprised of staff from the Canadian Securities Administrators ("CSA") and the Investment Industry Regulatory Organization of Canada ("IIROC") has been monitoring these developments and reviewing regulatory approaches to issues arising from short selling and failed trades.

In light of this review, the Working Group is publishing this joint CSA-IIROC notice ("Joint Notice") to solicit feedback on certain aspects of disclosure and transparency measures regarding short sales and failed trades in Canada.

2. The Working Group's approach

The Working Group is examining the issues in a phased approach. The first phase was the publication by IIROC (the "IIROC Notice") of a request for public comment on proposed amendments (the "UMIR Amendments") to the Universal Market Integrity Rules ("UMIR") respecting short sales and failed trades.[1] With a number of minor revisions, the CSA recognizing regulators have approved the UMIR Amendments and IIROC is publishing notice of this approval, which includes a summary of the comments received by IIROC, in conjunction with this Joint Notice.[2] A summary of the UMIR Amendments is contained in Appendix C of this Joint Notice.

The IIROC Notice also described IIROC's plans to enhance transparency of short selling activity and failed trades, which is the second phase. This Joint Notice is intended to complement the discussion and proposals in the IIROC Notice, but is not intended to revisit the UMIR Amendments.

The Working Group is considering other short-selling and failed-trades related issues which may be addressed in future notices. Although this Joint Notice seeks comment on introducing transparency of failed trades, the Working Group is examining issues of trade settlement more broadly and in a larger context. In particular, the Working Group is waiting until IIROC has had more experience with its requirement that Participants[3] report failed trades that have not been

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1 IIROC Notice 11-0075 – Rules Notice – Request for Comments – UMIR - *Provisions Respecting Regulation of Short Sales and Failed Trades* (February 25, 2011).

2 The comments received by IIROC are available on IIROC's Website at http://docs.iiroc.ca/CommentsReceived.aspx?DocumentID=09B964F0FD814123AD04640B2F04A012&LinkID=766&Language=en.

A summary of the comments and the IIROC responses are contained in IIROC Notice 12-00** - Rules Notice – Notice of Approval – UMIR – *Provisions Respecting Regulation of Short Sales and Failed Trades* (March 2, 2012).

3 UMIR Rule 1.1 defines "Participant" as a dealer that is a member of an exchange, user of a quotation and trade reporting system or a subscriber of an alternative trading system ("ATS"), and "Access Person" as a person other than a Participant who is a subscriber or a user.

rectified by the tenth day following the settlement date (described in section 4 (iii) of this Joint Notice), which became effective on June 1, 2011.

3. The structure of this notice

Section 4 of this Joint Notice sets forth the Working Group's discussions and questions. The Working Group has considered the comments received in response to the specific questions in the IIROC Notice. The Working Group now seeks supplementary feedback from stakeholders on a range of additional approaches to enhance disclosure of short sales and to introduce some public disclosure of failed trades.

To assist stakeholders in considering the discussion and questions in Section 4, we have included in appendices to this Joint Notice summary background information on the following:

- Appendix A - Background on short sales and failed trades, including existing regulatory provisions in Canada governing these topics;
- Appendix B – Certain international developments regarding the regulation of short sales and failed trades, including an initiative in 2009 by the International Organization of Securities Commissions ("IOSCO"); and
- Appendix C – An overview of the UMIR Amendments and other measures described in the IIROC Notice.

4. Specific areas for comment

The Working Group believes that Canada's regulatory regime governing short sales is generally consistent with the IOSCO four principles for the effective regulation of short selling (see Appendix A for a summary of Canada's regulatory regime and Appendix B for a summary of the IOSCO principles). However, the Working Group is of the view that it may be appropriate to consider whether additional measures are warranted to: (i) enhance the regulatory reporting and transparency of short sales; and (ii) introduce some transparency of failed trades in our markets.

While the UMIR Amendments promote improvements in these areas, the Working Group requests further stakeholder input on whether additional measures are desirable or needed. The Working Group also notes that IIROC's regulatory jurisdiction is limited to trading by Participants and Access Persons on marketplaces and that CSA rulemaking may be necessary if any measures require a broader scope.

The events during the financial crisis in late 2008 provoked an inquiry into whether enhanced transparency of short selling would improve securities regulation. The Working Group believes that, for the Canadian setting, a careful balance between the potential benefits and costs of transparency of short selling activity must be struck, and is soliciting commenters' views on how to best achieve such balance.

(i) IIROC aggregate short sale trading data

As indicated in the IIROC Notice, IIROC proposes the public release of semi-monthly short sale summaries, showing the aggregate proportion of short selling in the total trading activity of a particular security, based on trading data (number of trades, volume and value) aggregated across all marketplaces monitored by IIROC for trades marked "short sale". This information will supplement the Consolidated Short Position Report ("CSPR") and will correspond to the UMIR reporting cycle for the short position reporting requirement. While the CSPR is produced semi-monthly and shows the total short positions on dealers' books on the first and fifteenth day of each month, the IIROC short sale summary will show the number, value and volume of short sales of each listed security based on all trading on all marketplaces during the semi-monthly period. The short sale summary will also express the number, value and volume of short sales for each security as a percentage of trading activity in that security during the period. IIROC expects to introduce the semi-monthly short sale summaries after the UMIR Amendments come into effect on September 1, 2012.

When the UMIR Amendments come into effect, a change will be made to the marking regime for short sales to help ensure the reported data does not contain unhelpful "noise". The UMIR Amendments will require various accounts which, in the ordinary course, do not take a "directional" position when undertaking a short sale to mark orders as "short-marking exempt" rather than "short".[4] Because these accounts do not know at the time of order entry whether they will be long or short at the time of execution, they mark all sell orders "short". By using a different marker to identify these accounts, the record of orders marked "short" will show those orders that are taking a directional position (i.e. true shorts).

Orders which are designated as "short-marking exempt" will not be included in the semi-monthly short sale summaries. The "short-marking exempt" designation would be applied to all orders from such accounts, including purchases, sales from a long position and sales from a short position.

Question 1: Do you believe that more frequent aggregate short sale summaries should be made publicly available? If so, what should be the frequency of such short sale summaries (e.g. weekly, daily)? What would be the costs and benefits to issuers, investors and Participants from making this information public? Please provide reasons for your answers.

Question 2: In addition to semi-monthly (or more frequent) aggregate short sale summaries, should there be public disclosure of individual short sale transaction data on an anonymous basis? If so, should the publication of this information be time deferred (e.g. one day, one month, etc.)? What would be the costs and benefits to market participants from making this information public? Please provide reasons for your answers.

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[4] See Appendix C to this Joint Notice. See also IIROC Notice 12-00** – Rules Notice – Request for Comments – UMIR – *Proposed Guidance on "Short Sale" and "Short-Marking Exempt" Order Designations* (March 2, 2012).

Question 3: Should data on the usage of the "short-marking exempt" designation in relation to trading activity of a particular security be made publicly available? If so, what should be the frequency of the release of such data? Please provide reasons for your answers.

(ii) Disclosure of short positions (to regulator and/or to public)

As described in Appendix A to this Joint Notice, the aggregate short position in each listed security on the Toronto Stock Exchange ("TSX") and TSX Venture Exchange ("TSXV"), which is contained in the CSPR, is provided twice monthly to IIROC and IIROC has access to the information submitted by each dealer. Currently, the TSX sells the CSPR as a data product and publishes a list of the 20 largest short positions and 20 largest changes in short positions on its website. A separate CSPR is produced by Canadian National Stock Exchange ("CNSX") for securities listed on that exchange. As part of its application to be recognized as an exchange, Alpha Exchange ("Alpha") has indicated an intention to produce a separate CSPR for securities that will be listed on that exchange.

The Working Group noted that, since the global financial crisis, many countries outside of North America have implemented permanent requirements to disclose significant individual short positions by the ultimate investor.[5] CSA Staff on the Working Group discussed whether such a rule should be considered for the Canadian capital markets. As noted in Appendix B to this Joint Notice, the *Dodd-Frank Wall Street Reform and Consumer Protection Act* ("Dodd-Frank Act") in the United States requires the Securities and Exchange Commission ("SEC") to prescribe new rules governing the public disclosure of short sales, at least monthly, by institutional investment managers. However, the Working Group is not proposing any similar individual short sale or short position reporting requirement on buy-side investors at this time, as the Working Group is not convinced that the potential benefits of such reporting outweigh the costs, especially given recent and proposed initiatives described in this Joint Notice.[6] Nor does the Working Group propose at this time to require reporting of short positions under derivative contracts. However, the Working Group will reassess these issues again as regulatory developments in the short sale and short position transparency area continue to unfold in the U.S. and elsewhere.

Despite this, the Working Group recognizes that there are limitations to the current CSPR reporting. For example, only short positions in listed securities are reported. Also, only dealers who are "Participants" (generally dealers who are members of an exchange, users of a quotation and trade report system or subscribers to an ATS) are required to report positions, which means positions held by other dealers and custodians are not included. To the extent that a short position maintained by an Access Person (generally an institution other than a dealer

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[5] See Appendix B to this Joint Notice. However, most of these countries do not also have marketplace short sale "flagging" mechanisms similar to the short sale marking regimes in North America. The obligations to make disclosure of significant individual short positions usually start when a minimum threshold is reached, such as a percentage of the total issued and outstanding number or value of the securities. Further disclosures are then required if and when the position reaches other thresholds. A final disclosure would be required if the position fell below the minimum threshold to show that a "disclosable" position was no longer being held. In addition, a two-tier model for disclosure of significant individual net short positions in securities would be used: reporting to regulators of positions would first be required when a certain minimum threshold is reached; and public disclosure would next be required when a higher minimum threshold is reached.

[6] Such investors are still subject to existing requirements under securities laws to declare a short sale to their dealer.

that is a subscriber to an ATS) is held outside of an account with a Participant, the Access Person is required to file a short position report. If all dealers and custodians reported short positions, the CSPR could be more robust.[7]

Question 4: Is the existing public disclosure of short positions adequate? If not, should the information be available for unlisted securities such as debt securities and foreign-listed securities traded on ATSs? Should there be one report covering all securities traded on marketplaces? Should custodians and dealers that are not Participants report their short positions? Please provide reasons for your answers.

Question 5: Is the information in the CSPR timely? Should this information be made available on a more frequent basis? Please provide reasons for your answers.

(iii) Transparency of Failed Trades

The Working Group is soliciting commenters' views on whether measures targeting specific settlement failures or participants that cause fails should be considered. When discussing failed trades in this Joint Notice, the Working Group did not focus specifically on failed trades caused by short sellers. In fact, a previous IIROC study found that long sales are more likely to fail than short sales and that the primary reasons for any trade failure are administrative and clerical errors in back office processing.[8] We believe that reducing failed trades in our markets, however caused, has multiple important policy objectives: it can help provide an effective control over some manipulative activities (including abusive short selling), and it is also an important means to mitigate broader systemic problems, particularly in the clearing and settlement system that underpins the efficiency and integrity of our capital markets.

Effective June 1, 2011, Rule 7.10 of UMIR requires Participants to report a trade (an "Extended Failed Trade") that has failed to settle on the settlement date if the trade remains unresolved ten trading days following the settlement date (i.e., after T+13).[9] The report must give the reason for the settlement failure. The Participant is also required to update the report once the problem

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[7] Securities legislation currently requires that a person who places an order for the sale of a security with a registered dealer declare to the dealer at the time of placing the order whether they do not own the security. A custodian would not necessarily know that securities deposited with them are "owned" by the person on whose behalf the custodian is holding the securities. If custodians were required to report short positions, securities legislation would have to require a comparable declaration at the time the securities are deposited with the custodian.

[8] See Market Policy Notice 2007-003 – *General – Results of the Statistical Study of Failed Trades on Canadian Marketplace* (April 13, 2007).

[9] See the definition of "failed trade" in UMIR Rule 1.1. A "failed trade" includes a sale by an account which has failed to make available the securities for settlement or, in the case of a short sale, has failed to make arrangements with the Participant or Access Person to borrow the securities needed for settlement. Since the failure is determined at the account level, a trade may be considered a "failed trade" for the purposes of UMIR even if the Participant has in fact settled the trade in accordance with the requirements of the clearing agency. An Extended Failed Trade is a "failed trade" within the meaning of the UMIR that was not rectified within ten trading days following the date for settlement contemplated on the execution of that trade. See footnote 22 of Appendix A for information on reports of Extended Failed Trades in the period June 1, 2011 to September 30, 2011.

has been rectified. This information assists IIROC in detecting potential patterns of settlement failure, possibly indicating manipulative or deceptive trading activity.[10]

The Working Group considered whether some public disclosure of failed trades would assist in strengthening settlement discipline. The CSA could arrange for the public disclosure of information on failed trades in individual securities. The publicly-available information could be based on fails to deliver in depository eligible securities processed through the Continuous Net Settlement ("CNS") facilities of CDS Clearing and Depository Services Inc. ("CDS"). This would include all equity securities and exchange-traded funds ("ETFs") traded on all Canadian marketplaces. Fail-to-deliver ("FTD") rates in the CNS facilities could be made publicly available twice a month. This could be supplemented by the public disclosure of aggregate CNS FTD rates in specific groups of securities, such as inter-listed securities, TSX-listed securities, TSXV-listed securities, CNSX-listed securities, ETFs, and so on.

Reporting FTD rates would provide a means of comparing information on short positions and short selling with trade failures during the same period, therefore allowing the reader to determine whether rates of trade failure may be correlated with rates of short selling of a particular security.

Question 6: Currently, are measures for failed trades transparency warranted? If you agree:

- ***What types of information on failed trades would be most useful to participants (some options are described above) and what should be the frequency of such disclosure?***
- ***In addition to equity and other securities processed through the CNS facilities at CDS, do other types of securities or products (e.g. fixed income securities) have FTD rates suggesting that similar failed trade transparency measures should apply to those securities? Please be specific in your answer.***
- ***What would be the costs and benefits, if any, to market participants in implementing such measures?***

If you believe that measures for failed trades transparency are currently not required, why do you think this information would not be helpful to issuers, investors or Participants? Please provide reasons for your answers.

5. Conclusion

While the CSA and IIROC believe that the current regulatory framework governing short sales and failed trades in Canada is generally consistent with the four IOSCO principles, some of the proposed additional measures described in this Joint Notice may improve and strengthen our

[10] National Instrument 24-101 *Institutional Trade Matching and Settlement* (NI 24-101) requires registered firms (dealers and advisers) to report to the CSA in certain circumstances information on trade matching (confirmation/affirmation) rates of their institutional equity and debt trades. In addition, clearing agencies and matching service providers are required to provide to the CSA aggregate trade-matching information in respect of their participants or users/subscribers under NI 24-101. However, NI 24-101 does not require the reporting of trade failures.

regulatory regime. The CSA and IIROC seek comment on all aspects of the various regulatory approaches discussed in this Joint Notice, and specifically solicit feedback on the questions set out in Section 4 above.

6. How to provide your comments

You must submit your comments in writing by May 31, 2012. If you are not sending your comments by email, you should also send an electronic file containing the submissions (in Windows format, Microsoft Word).

Please address your comments to IIROC and all of the CSA member commissions, as follows:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

Please send your comments **only** to the addresses below. Your comments will be forwarded to the remaining CSA jurisdictions.

James E. Twiss,
Vice President, Market Regulation Policy,
Investment Industry Regulatory Organization of Canada,
Suite 2000,
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Toronto, Ontario M5H 3T9
Tel: 416-646-7277
Fax: 416-646-7265
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John Stevenson
Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
Fax: 416-593-2318
Email: jstevenson@osc.gov.on.ca

Please note that all comments received during the comment period will be made publicly available. We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period. We will post all comments received during the comment period to the OSC website at www.osc.gov.on.ca and to the AMF website at www.lautorite.qc.ca to improve the transparency of the policy-making process.

Questions

Please refer your questions to any of the following CSA and IIROC staff:

Charlene McLaughlin
Manager, Legal
Alberta Securities Commission
(403) 297-2488

Serge Boisvert
Analyste en réglementation
Direction de la supervision des OAR
Autorité des marchés financiers
1 (877) 525-0337 ext. 4358

James E. Twiss,
Vice President, Market Regulation Policy,
Investment Industry Regulatory Organization of Canada,
(416) 646-7277

Paula White
Manager Compliance and Oversight
Manitoba Securities Commission
(204) 945-5195

Ella-Jane Loomis
Legal Counsel
New Brunswick Securities Commission
(506) 643-7857

Chris Pottie

Manager, Compliance,
Policy and Market Regulation Branch
Nova Scotia Securities Commission
(902) 424-5393

Timothy Baikie
Senior Legal Counsel, Market Regulation
Ontario Securities Commission
(416) 593-8136

Maxime Paré
Senior Legal Counsel, Market Regulation
Ontario Securities Commission
(416) 593-3650

Ruxandra Smith
Senior Accountant, Market Regulation
Ontario Securities Commission
(416) 593-2317

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In light of this review, the Working Group is publishing this joint CSA-IIROC notice ("Joint Notice") to solicit feedback on certain aspects of disclosure and transparency measures regarding short sales and failed trades in Canada.

2. The Working Group's approach

The Working Group is examining the issues in a phased approach. The first phase was the publication by IIROC (the "IIROC Notice") of a request for public comment on proposed amendments (the "UMIR Amendments") to the Universal Market Integrity Rules ("UMIR") respecting short sales and failed trades.[11] With a number of minor revisions, the CSA recognizing regulators have approved the UMIR Amendments and IIROC is publishing notice of

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3. The structure of this notice

Section 4 of this Joint Notice sets forth the Working Group's discussions and questions. The Working Group has considered the comments received in response to the specific questions in the IIROC Notice. The Working Group now seeks supplementary feedback from stakeholders on a range of additional approaches to enhance disclosure of short sales and to introduce some public disclosure of failed trades.

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4. Specific areas for comment

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[12] The comments received by IIROC are available on IIROC's Website at http://docs.iiroc.ca/CommentsReceived.aspx?DocumentID=09B964F0FD814123AD04640B2F04A012&LinkID=766&Language=en.

A summary of the comments and the IIROC responses are contained in IIROC Notice 12-0078 - Rules Notice – Notice of Approval – UMIR – *Provisions Respecting Regulation of Short Sales and Failed Trades* (March 2, 2012).

[13] UMIR Rule 1.1 defines "Participant" as a dealer that is a member of an exchange, user of a quotation and trade reporting system or a subscriber of an alternative trading system ("ATS"), and "Access Person" as a person other than a Participant who is a subscriber or a user.

Appendix A for a summary of Canada's regulatory regime and Appendix B for a summary of the IOSCO principles). However, the Working Group is of the view that it may be appropriate to consider whether additional measures are warranted to: (i) enhance the regulatory reporting and transparency of short sales; and (ii) introduce some transparency of failed trades in our markets.

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Orders which are designated as "short-marking exempt" will not be included in the semi-monthly short sale summaries. The "short-marking exempt" designation would be applied to all orders

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from such accounts, including purchases, sales from a long position and sales from a short position.

Question 1: Do you believe that more frequent aggregate short sale summaries should be made publicly available? If so, what should be the frequency of such short sale summaries (e.g. weekly, daily)? What would be the costs and benefits to issuers, investors and Participants from making this information public? Please provide reasons for your answers.

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Question 4: Is the existing public disclosure of short positions adequate? If not, should the information be available for unlisted securities such as debt securities and foreign-listed securities traded on ATSs? Should there be one report covering all securities traded on marketplaces? Should custodians and dealers that are not Participants report their short positions? Please provide reasons for your answers.

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[16] Such investors are still subject to existing requirements under securities laws to declare a short sale to their dealer.

[17] Securities legislation currently requires that a person who places an order for the sale of a security with a registered dealer declare to the dealer at the time of placing the order whether they do not own the security. A custodian would not necessarily know that securities deposited with them are "owned" by the person on whose behalf the custodian is holding the securities. If custodians were required to report short positions, securities legislation would have to require a comparable declaration at the time the securities are deposited with the custodian.

errors in back office processing.[18] We believe that reducing failed trades in our markets, however caused, has multiple important policy objectives: it can help provide an effective control over some manipulative activities (including abusive short selling), and it is also an important means to mitigate broader systemic problems, particularly in the clearing and settlement system that underpins the efficiency and integrity of our capital markets.

Effective June 1, 2011, Rule 7.10 of UMIR requires Participants to report a trade (an "Extended Failed Trade") that has failed to settle on the settlement date if the trade remains unresolved ten trading days following the settlement date (i.e., after T+13).[19] The report must give the reason for the settlement failure. The Participant is also required to update the report once the problem has been rectified. This information assists IIROC in detecting potential patterns of settlement failure, possibly indicating manipulative or deceptive trading activity.[20]

The Working Group considered whether some public disclosure of failed trades would assist in strengthening settlement discipline. The CSA could arrange for the public disclosure of information on failed trades in individual securities. The publicly-available information could be based on fails to deliver in depository eligible securities processed through the Continuous Net Settlement ("CNS") facilities of CDS Clearing and Depository Services Inc. ("CDS"). This would include all equity securities and exchange-traded funds ("ETFs") traded on all Canadian marketplaces. Fail-to-deliver ("FTD") rates in the CNS facilities could be made publicly available twice a month. This could be supplemented by the public disclosure of aggregate CNS FTD rates in specific groups of securities, such as inter-listed securities, TSX-listed securities, TSXV-listed securities, CNSX-listed securities, ETFs, and so on.

Reporting FTD rates would provide a means of comparing information on short positions and short selling with trade failures during the same period, therefore allowing the reader to determine whether rates of trade failure may be correlated with rates of short selling of a particular security.

Question 6: Currently, are measures for failed trades transparency warranted? If you agree:

- ***What types of information on failed trades would be most useful to participants (some options are described above) and what should be the frequency of such disclosure?***

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[18] See Market Policy Notice 2007-003 – *General – Results of the Statistical Study of Failed Trades on Canadian Marketplace* (April 13, 2007).

[19] See the definition of "failed trade" in UMIR Rule 1.1. A "failed trade" includes a sale by an account which has failed to make available the securities for settlement or, in the case of a short sale, has failed to make arrangements with the Participant or Access Person to borrow the securities needed for settlement. Since the failure is determined at the account level, a trade may be considered a "failed trade" for the purposes of UMIR even if the Participant has in fact settled the trade in accordance with the requirements of the clearing agency. An Extended Failed Trade is a "failed trade" within the meaning of the UMIR that was not rectified within ten trading days following the date for settlement contemplated on the execution of that trade. See footnote 22 of Appendix A for information on reports of Extended Failed Trades in the period June 1, 2011 to September 30, 2011.

[20] National Instrument 24-101 *Institutional Trade Matching and Settlement* (NI 24-101) requires registered firms (dealers and advisers) to report to the CSA in certain circumstances information on trade matching (confirmation/affirmation) rates of their institutional equity and debt trades. In addition, clearing agencies and matching service providers are required to provide to the CSA aggregate trade-matching information in respect of their participants or users/subscribers under NI 24-101. However, NI 24-101 does not require the reporting of trade failures.

- ***In addition to equity and other securities processed through the CNS facilities at CDS, do other types of securities or products (e.g. fixed income securities) have FTD rates suggesting that similar failed trade transparency measures should apply to those securities? Please be specific in your answer.***
- ***What would be the costs and benefits, if any, to market participants in implementing such measures?***

If you believe that measures for failed trades transparency are currently not required, why do you think this information would not be helpful to issuers, investors or Participants? Please provide reasons for your answers.

5. Conclusion

While the CSA and IIROC believe that the current regulatory framework governing short sales and failed trades in Canada is generally consistent with the four IOSCO principles, some of the proposed additional measures described in this Joint Notice may improve and strengthen our regulatory regime. The CSA and IIROC seek comment on all aspects of the various regulatory approaches discussed in this Joint Notice, and specifically solicit feedback on the questions set out in Section 4 above.

6. How to provide your comments

You must submit your comments in writing by May 31, 2012. If you are not sending your comments by email, you should also send an electronic file containing the submissions (in Windows format, Microsoft Word).

Please address your comments to IIROC and all of the CSA member commissions, as follows:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Superintendent of Securities, Newfoundland and Labrador
Superintendent of Securities, Northwest Territories
Superintendent of Securities, Yukon Territory
Superintendent of Securities, Nunavut

Please send your comments **only** to the addresses below. Your comments will be forwarded to the remaining CSA jurisdictions.

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Please note that all comments received during the comment period will be made publicly available. We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period. We will post all comments received during the comment period to the OSC website at www.osc.gov.on.ca and to the AMF website at www.lautorite.qc.ca to improve the transparency of the policy-making process.

Questions

Please refer your questions to any of the following CSA and IIROC staff:

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