

## CSA Notice of Approval Amendments to National Instrument 21-101 *Marketplace Operation* and National Instrument 23-101 *Trading Rules*

June 25, 2015

### Introduction

The Canadian Securities Administrators (the CSA or we) have approved amendments (the Amendments) to the following:

- National Instrument 21-101 *Marketplace Operation* (NI 21-101), including:
  - Form 21-101F1 *Information Statement Exchange or Quotation and Trade Reporting System* (Form 21-101F1);
  - Form 21-101F2 *Initial Operation Report Alternative Trading System* (Form 21-101F2);
  - Form 21-101F3 *Quarterly Report of Marketplace Activities* (Form 21-101F3);
  - Form 21-101F4 *Cessation of Operations Report for Alternative Trading System* (Form 21-101F4);
  - Form 21-101F5 *Initial Operation Report for Information Processor* (Form 21-101F5); and
  - Form 21-101F6 *Cessation of Operations Report for Information Processor* (Form 21-101F6 and, together with Form 21-101F1, Form 21-101F2, Form 21-101F3, Form 21-101F4, and Form 21-101F5, the Forms);
- National Instrument 23-101 *Trading Rules* (NI 23-101);
- Companion Policy 21-101CP (21-101CP); and
- Companion Policy 23-101CP (23-101CP and, together with NI 21-101, 21-101CP and NI 23-101, the Marketplace Rules).

Provided all necessary ministerial approvals are obtained, the Amendments will come into force on **October 1, 2015**. Implementation of certain of the Amendments is discussed in greater detail below.

We are publishing the text of the Amendments in Annexes B and C to this notice, together with certain other relevant information at Annexes A through H of this notice. Text of the Amendments is also available on the websites of the CSA jurisdictions, including at:

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)

[www.albertasecurities.com](http://www.albertasecurities.com)

[www.bcsc.bc.ca](http://www.bcsc.bc.ca)

[www.gov.ns.ca/nssc](http://www.gov.ns.ca/nssc)

www.fcnb.ca  
www.osc.gov.on.ca  
www.fcaa.gov.sk.ca  
www.msc.gov.mb.ca

## **Substance and Purpose**

The substance and purpose of the Amendments is to update the Marketplace Rules to reflect developments that have occurred since they were last revised. The Amendments include revisions to the requirements applicable to marketplaces' and information processors' systems and business continuity planning and other various areas where we identified that updates or additional guidance are required.

The Amendments apply to marketplaces, including alternative trading systems (ATSs), recognized quotation and trade reporting systems (QTRSs), recognized exchanges, and information processors.

## **Background**

We initially published proposed amendments to the Marketplace Rules on April 24, 2014. After considering the comments received in response to the initial publication, we have made changes to certain parts of the NI 21-101, 21-101CP, the Forms, NI 23-101 and 23-101CP. For additional background on the substance and purpose of the proposed amendments, please refer to the notice published with the proposed amendments on April 24, 2014.

Proposed amendments to section 8.6 of NI 21-101 regarding the transparency exemption for government debt securities were initially published along with the additional proposed amendments to the Marketplace Rules on April 24, 2014. The CSA has since approved amendments to section 8.6 of NI 21-101, which took effect on December 31, 2014. Please see notice of the CSA's approval of these amendments, published October 23, 2014.

## **Summary of Written Comments Received by the CSA**

During the comment period, we received submissions from 8 commenters. We have considered the comments received and thank all of the commenters for their input. The names of the commenters are contained in Annex F of this notice and a summary of their comments, together with our responses, is contained in Annex G of this notice.

## **Summary of Changes to the Proposed Amendments**

See Annex A of this notice for a summary of notable changes made to the proposed amendments to NI 21-101, the Forms, and 21-101CP since initial publication in April 2014. No notable changes have been made to the proposed amendments to NI 23-101 and 23-101CP.

## **Implementation of the Amendments**

The Amendments introduce certain new requirements in relation to the information required to be filed by marketplaces in the Forms as well as new requirements for the annual certification of the information in a marketplace's Form 21-101F1 or Form 21-101F2 and the annual filing by a marketplace of an updated and consolidated Form 21-101F1 or Form 21-101F2. We do not expect marketplaces to provide the new information required by the Forms as of the effective date of the Amendments. Instead, we expect that marketplaces will provide this new information at the time that they file their updated and consolidated Form 21-101F1 or Form 21-101F2.

## **Local Matters**

Certain jurisdictions are publishing other information required by local securities legislation. In Ontario, this information is contained in Annex H of this notice.

## **Annexes**

- A. Description of notable changes to the Marketplace Rules from the proposed amendments published on April 24, 2014.
- B. Amendments to NI 21-101 and Schedule of Changes to Companion Policy 21-101CP.
- C. Amendments to NI 23-101 and Schedule of Changes to Companion Policy 23-101CP.
- D. Blackline showing changes to NI 21-101, 21-101CP and the Forms.
- E. Blackline showing changes to NI 23-101 and 23-101CP.
- F. List of commenters who provided submissions on the proposed amendments published on April 24, 2014.
- G. Summary of comments, together with the CSA's response to the comments, on the proposed amendments.
- H. Local matters.

## Questions

Please refer your questions to any of the following:

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