

**5.1.3 Notice of Final Rule and Policy Under the Commodity Futures Act - OSC Rule 13-503 (Commodity Futures Act) Forms 13-503F1 and 13-503F2, Companion Policy 13-503CP Fees and Notice of Revocation of Schedule 1 of Regulation 90 Made Under the Commodity Futures Act**

**NOTICE OF FINAL RULE AND POLICY UNDER THE *COMMODITY FUTURES ACT***

**ONTARIO SECURITIES COMMISSION RULE 13-503  
(*COMMODITY FUTURES ACT*)  
FORMS 13-503F1 AND 13-503F2  
COMPANION POLICY 13-503CP  
FEES**

**AND**

**NOTICE OF REVOCATION OF  
SCHEDULE 1 OF REGULATION 90 MADE UNDER THE *COMMODITY FUTURES ACT***

**Notice of Rule**

The Commission has, under section 65 of the *Commodity Futures Act* (CFA), made rule 13-503 Fees (the Rule) as a rule under the CFA and has, under section 73 of the CFA, adopted Companion Policy 13-503CP (the Companion Policy) as a policy under the CFA. The Rule contains Forms 13-503F1 and 13-503F2.

The Rule and the material required by the CFA to be delivered to the Minister of Finance were delivered on September 17, 2003. If the Minister does not approve, reject or return the Rule by November 16, 2003, or if the Minister approves the rule, the Rule will come into force on December 1, 2003.

The rule was published for comment on May 16, 2003, at (2003) 26 OSCB 3712. No comments were received.

**Substance and Purpose of Proposed Rule**

On March 31, 2003, OSC Rule 13-502 (OSA Fees Rule), which governs fees paid under the *Securities Act* (Ontario), came into effect. The purpose of the Rule and Companion Policy is to establish a fee regime under the *Commodity Futures Act* (CFA) that is consistent with the approach of the OSA Fees Rule. Both the Rule and the OSA Fees Rule are designed to accomplish three primary purposes: to reduce the overall fees charged to market participants from what existed previously in Ontario; to create a clear and streamlined fee structure; and to adopt fees that accurately reflect the Commission's costs of providing services.

Similar to the OSA Fees Rule, the Rule requires the payment of "participation fees" and "activity fees". Participation fees are generally intended to represent the benefit derived by registrant firms from participating in Ontario's capital markets. Activity fees, on the other hand, are intended to represent the direct cost of OSC staff resources to take a specific action or provide a specific service requested by a market player.

**Summary of Changes to the Rule**

Only minor drafting changes were made to the Rule and to the Forms to mirror minor drafting changes made to Rule 13-502 and its related forms.

**Amendments to Regulation**

In connection with making the Rule and the Companion Policy, the Commission will revoke the current fee schedule, Schedule 1 of Regulation 90 made under the CFA (the Regulation). The revocation will become effective on the same date that the Rule comes into force, December 1, 2003.

**Text of Rule and Companion Policy**

The text of the Rule and the Companion Policy follows.

**Questions**

Questions may be referred to:

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