

## Chapter 13

# SROs, Marketplaces, Clearing Agencies and Trade Repositories

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### 13.1 SROs

#### 13.1.1 IIROC – Amendments to the Universal Market Integrity Rules (UMIR) Respecting Unprotected Transparent Marketplaces and the Order Protection Rule and Exemption under UMIR 11.1 – OSC Staff Notice of Commission Approval

#### OSC STAFF NOTICE OF COMMISSION APPROVAL

#### THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

#### AMENDMENTS TO THE UNIVERSAL MARKET INTEGRITY RULES (UMIR) RESPECTING UNPROTECTED TRANSPARENT MARKETPLACES AND THE ORDER PROTECTION RULE

#### AND

#### EXEMPTION UNDER UMIR 11.1

The Ontario Securities Commission approved amendments to the Universal Market Integrity Rules (UMIR). The amendments align to proposed amendments by the Canadian Securities Administrators regarding the interpretation of “protected order” and accommodate the terms and conditions under which the Ontario Securities Commission has approved amendments to Alpha Exchange Inc.'s trading policies to include a systematic order processing delay. Among other things, the UMIR amendments revise the definition of “protected marketplace” and allow a Participant or Access Person to take account only of displayed orders on protected marketplaces when determining compliance with UMIR requirements that make reference to “best ask price”, “best bid price” or “better price”. The amendments were published for comment on June 12, 2015 for a 30 day comment period. Two comment letters were received.

The amendments are effective immediately. A copy of IIROC's Notice of Approval can be found at <http://www.osc.gov.on.ca>.

The Alberta Securities Commission, the Autorité des marchés financiers, the British Columbia Securities Commission, the Financial and Consumer Affairs Authority of Saskatchewan, the Financial and Consumer Services Commission of New Brunswick, the Manitoba Securities Commission, the Newfoundland and Labrador Office of the Superintendent of Securities Services, the Nova Scotia Securities Commission, and the Prince Edward Island Office of the Superintendent of Securities did not object to or approved the amendments.

In addition, IIROC has sought and received approval to grant an exemption under UMIR 11.1(2) to exempt a class of transactions from all applicable provisions of UMIR. Specifically, all transactions resulting from all orders by Participants required to be sent to Alpha to satisfy their order protection obligations under National Instrument 23-101, are exempted from all applicable provisions of UMIR related to a “protected marketplace”. This exemption was approved by the relevant Recognizing Regulators on September 17, 2015.