

NOTICE AND REQUEST FOR COMMENT

APPLICATION BY BROKERTEC EUROPE LIMITED FOR EXEMPTION FROM RECOGNITION AS AN EXCHANGE

A. Introduction

This notice requests comment on:

- (i) the application filed by BrokerTec Europe Limited (**BrokerTec**) under section 147 of the Securities Act (Ontario) (Act) for an exemption from the requirement to be recognized as an exchange contained in section 21 of the Act (**Recognition Requirement**), and from the requirements in National Instrument 21-101 *Marketplace Operation*, National Instrument 23-101 *Trading Rules* and National Instrument 23-103 *Electronic Trading and Direct Access to Marketplaces* (the **Marketplace Rules**); and
- (ii) the draft order exempting BrokerTec from the Recognition Requirement and the Marketplace Rules.

The application by BrokerTec for an order exempting it from the Recognition Requirement can be found on our website www.osc.ca.

Attached to this notice is a draft exemption order.

B. Application and Draft Exemption Order

As the operator of the BrokerTec EU MTF and the EBS UK MTF, the Applicant filed the application under section 147 of the Act for an exemption from the Recognition Requirement and from the requirements in the Marketplace Rules in connection with its offering to participants located in Ontario trading in (i) repurchase agreements collateralized by United Kingdom (**UK**) gilts and UK covered bonds, Australian government bonds and corporate bonds on the BrokerTec EU MTF, and (ii) foreign exchange non-deliverable forwards on the EBS UK MTF. The application describes the Applicant's services to participants located in Ontario and its background and operations, and includes submissions from the Applicant for why the exemption order should be granted.

In its application, the Applicant has outlined how it meets the criteria for exemption from the Recognition Requirement. The specific criteria can be found in Appendix I to Schedule "A" of the draft exemption order. Subject to comments received, Staff intends to recommend that the Commission grant the exemption order with terms and conditions based on the draft exemption order.

C. Comment Process

The Commission is publishing for public comment the application and draft exemption order for 30 days. We are seeking comment on all aspects of the application and draft exemption order.

Please provide your comments in writing, via e-mail, on or before **November 21, 2022**, to the attention of:

Ontario Securities Commission
20 Queen Street West,
22nd Floor
Toronto, Ontario
M5H 3S8
Email: comments@osc.gov.on.ca

The confidentiality of submissions cannot be maintained as the comment letters and a summary of written comments received during the comment period will be published.

Questions may be referred to:

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