Market Structure Advisory Committee
Mandate

A. General
The Ontario Securities Commission Market Regulation Branch has established the Market Structure Advisory Committee (MSAC) as an advisory committee to provide input on relevant policy initiatives that relate to market structure issues.

B. Terms of Reference
The terms of reference of MSAC are as follows:
- To serve as a forum to discuss issues associated with market structure and marketplace operations in the Canadian markets
- To act as a source of feedback to OSC staff on the development of policy and rule-making initiatives that promote investor protection, fair and efficient capital markets and confidence in those markets.

C. Composition and Terms
The Committee will consist of up to 16 members. Members will generally be expected to serve terms of two years. Terms may extend to, but will generally not exceed, two terms of two years in succession.

The Committee will be chaired by the Director of the Market Regulation Branch.

D. Appointment Process
Prior to the end of the two-year term applicable to all MSAC members, OSC staff will publish a notice seeking applications for membership (published notice). Current MSAC members that wish to seek an extension of their term, and who have not exceeded the term limitations set out in Section C above, must reapply in order to be considered for reappointment. OSC staff will choose members from among those responding to the published notice.

If, for any reason, a member is no longer able to serve on the Committee and vacates its position, it will be at the discretion of OSC staff to determine whether the vacated position should be filled. If the decision is made to fill the position, OSC staff will choose a member from among those that responded to the most recent published notice. The term of any such appointed member will end on the same date as applicable for the other MSAC members.

E. Appointment Criteria
Members should have an excellent knowledge of the Canadian capital markets and market structure and should have a strong knowledge of the regulatory requirements in
securities legislation in Canada. Members should have the capacity to attend scheduled meetings and consult with their colleagues as necessary on key issues.

F. Expectations

Members of MSAC agree to meet the expectations set out below. Should a member’s circumstance change and he or she is no longer able to meet these expectations, that member shall advise the MSAC Chair and shall resign.

- **Attendance** – The MSAC will meet quarterly, with meetings being approximately 1.5 hours in duration, depending on the extent of issues to be discussed. MSAC members shall use their best efforts to attend all MSAC meetings in person. On an exception basis, an MSAC member may attend by phone.

- **Agendas** – Agendas for MSAC meetings are established by OSC staff. MSAC members are encouraged to propose agenda items to the MSAC Chair that are consistent with MSAC’s mandate.

- **Confidentiality** – OSC staff must be able to rely on the confidentiality of its discussions with MSAC, and as a result MSAC members agree to keep MSAC proceedings and distributed material confidential (to the extent not already public). While members of MSAC may consult on a targeted basis with colleagues whose expertise may be helpful to MSAC (as discussed below), those consultations must be subject to the same confidentiality to which the MSAC member has agreed.

- **Consultation** – OSC staff recognize that MSAC members may wish to draw on the expertise of their colleagues to provide appropriate input to MSAC. Such targeted consultations should be limited and should not extend beyond the member’s organization/company/firm. Such consultations are subject to the same confidentiality obligation to the OSC to which the MSAC member has agreed. With the exception of these limited targeted consultations, materials shall not be distributed or discussed with anyone who is not a member of MSAC unless the prior consent of the MSAC Chair has been obtained, or unless MSAC is specifically asked by the MSAC Chair to seek further advice from colleagues. Where it would be helpful, and if approved by the MSAC Chair, MSAC members may bring colleagues to a portion of a MSAC meeting to speak to a particular issue.

- **Perspective** – MSAC members are expected to have excellent knowledge of the market structure in Canada, and a strong interest in the fostering of fair and efficient capital markets through requirements and guidance in securities legislation in Canada. Through their participation in MSAC, MSAC members are expected to provide input and advice that will contribute to Market Regulation’s objective of supporting the OSC’s public interest mandate.

G. Communication with Securities Commissions or the CSA

OSC staff may, at their discretion, discuss matters addressed by MSAC with other CSA staff, provincial securities commissions, or the CSA Chairs.