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DELIVERED

April 17, 2006

Ontario Securities Commission
20 Queen Street West
P.O. Box 55, Suite 1903
Toronto, ON M5H 3S8

Attention: Mr. John P. Stevenson, Secretary to the
Commission

-and to -

Autorité des marchés financiers
Stock Exchange Tower
800 Victoria Square
P.O. Box 246, 22nd Floor
Montreal, Quebec
H4Z 1G3

Attention: Anne-Marie Beaudoin, Secretary

Dear Sirs/Mesdames:

Re: Comment Letter regarding Proposed NI 24-101

This letter represents my personal and without prejudice comments (and not those of the firm or any client). My comments (in no particular order) are:

1. The definition of "matching service utility" is unclear as it applies to ATs. As ATs engage in execution, whereas matching relates to settlement, I presume that (as is implied by section 8.1) it is not intended to subject ATs to the requirements applicable to matching service utilities. This should be clarified, however. In fact, it might be useful to understand who exactly the CSA contemplates might be a matching service utility, especially given the words in section 2.5 of the Companion Policy to the effect that "if such facilities or services are

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made available in Canada” (which implies that they are not currently operating). I note that it is unusual that a rule would be adopted before any entity subject to it is operating. Perhaps we should wait until such an entity arrives to determine the appropriate type of regulation?

2. It would appear that an ATS is caught by paragraph (c) of the definition of trade-matching party. Query if this is appropriate, as its function differs greatly from that of an ordinary dealer
3. Section 2.1 should in my view be extended to all other “off-market” transactions, such as issuer bids and take-over bids (both cash and securities exchange), mergers and plans of arrangement, spin-offs, exercises of options and warrants and other convertible securities, stock dividends, etc. that would not involve distributions.
4. The words “policies and procedures to achieve matching” in sections 3.1, 3.2, 3.3, 3.4, and 7.1 should in my view be amended by adding the words “seek to” or “designed to” before the words “achieve matching”. It is not always possible to match, after all. Sometimes, errors occur.
5. Query if section 7.1 works insofar as it purports to apply to dealers other than investment dealers. Mutual fund dealers and limited market dealers, for example, are not subject to Market Regulation Services (MRS) requirements. Also, it should presumably be clarified that this relates only to equities traded in the secondary market, and not other instruments (e.g. debt).

Thank you for the opportunity to comment.

Yours truly,



Simon Romano

SAR/he

cc: British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission – Securities Division
Manitoba Securities Commission
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Securities Commission
Newfoundland and Labrador Securities Commission
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut