

**5.1.3 Amendments to National Instrument 23-101 Trading Rules and Companion Policy 23-101CP – to National Instrument 23-101 Trading Rules**

**AMENDMENTS TO NATIONAL INSTRUMENT 23-101 TRADING RULES**

**PART 1 AMENDMENTS**

**1.1 Amendments**

- (1) This Instrument amends National Instrument 23-101 Trading Rules.
- (2) Section 2.1 is amended by striking out “the rules, policies and other similar instruments” and substituting “similar requirements”.
- (3) Part 8 is amended
  - (a) in paragraph 8.4(c) by adding “in its capacity as a regulation services provider” after “directions made by the regulation services provider”; and
  - (b) by repealing section 8.5.
- (4) Subsection 9.3(2) is repealed.
- (5) Section 10.3 is repealed.
- (6) Part 11 is amended
  - (a) in paragraph 11.2(1)(p) by striking out “and” ;
  - (b) in paragraph 11.2(1)(q) by striking out “.” and substituting “; and”;
  - (c) in subsection 11.2(1) by adding “(r) an insider marker.”;
  - (d) in subsection 11.2(5) by adding “a securities regulatory authority or” before “a regulation services provider”;
  - (e) in subsection 11.2(5) by adding “the securities regulatory authority or” before each reference to “the regulation services provider”;
  - (f) in subsection 11.2(6) by striking out “After December 31, 2003, the” and substituting “The”;
  - (g) in subsection 11.2(6) by adding “a securities regulatory authority or” before “a regulation services provider”; and
  - (h) in subsection 11.2(6) by adding “by the earlier of January 1, 2007 and the date on which a self-regulatory entity or a regulation services provider implements a rule, policy or other similar instrument to which the dealer or inter-dealer bond broker is subject that requires the maintenance of the record and the transmission of the record in electronic form” at the end.

**PART 2 EFFECTIVE DATE**

- 2.1 Effective Date** – This Instrument comes into force on December 31, 2003.

**AMENDMENTS TO COMPANION POLICY 23-101CP – TO NATIONAL INSTRUMENT 23-101 TRADING RULES**

**PART 1 AMENDMENTS TO COMPANION POLICY 23-101CP TRADING RULES**

**1.1 Amendments**

- (1) This Amendment amends Companion Policy 23-101CP.
- (2) Section 2.1 is amended
  - (a) by striking out, in the first sentence, “rules, policies and other similar instruments” and substituting “similar requirements”; and
  - (b) by striking out, in the second sentence, “rules, policies and other similar instruments” and substituting “requirements”.
- (3) Section 7.3 is amended by adding the following after the sentence ending with “set by the regulation services provider.”

However, section 9.3 of the Instrument provides inter-dealer bond brokers with an exemption from sections 9.1 and 9.2 of the Instrument if the inter-dealer bond broker complies with the requirements of IDA Policy No. 5 Code of Conduct for IDA Member Firms Trading in Domestic Debt Markets, as amended, as if that policy was drafted to apply to the inter-dealer bond broker.

- (4) Part 8 is amended
  - (a) in section 8.2 by striking out “information services provider” in the first sentence and substituting “regulation services provider”;
  - (b) in section 8.2 by adding “the securities regulatory authority or” before each reference to “the regulation services provider” in the first and second sentences; and
  - (c) by adding the following section:

**8.3 Electronic Audit Trail** – Subsection 11.2(6) of the Instrument requires dealers and inter-dealer bond brokers to transmit certain information to a securities regulatory authority or a regulation services provider in electronic form by the earlier of January 1, 2007 and the date on which a self-regulatory entity or a regulation services provider implements a rule requiring the record and the transmission of the record in electronic form. The Canadian securities regulatory authorities and the self-regulatory entities are working with the industry to develop standards for these requirements.

**PART 2 EFFECTIVE DATE**

- 2.1 Effective Date** – This Amendment comes into force on December 31, 2003.