

1.1.2 Notice of Ministerial Approval of Amendments to NI 21-101 Marketplace Operation and Companion Policy 21-101CP, and to NI 23-101 Trading Rules and Companion Policy 23-101CP

**NOTICE OF MINISTERIAL APPROVAL OF
AMENDMENTS TO NATIONAL INSTRUMENT 21-101 MARKETPLACE OPERATION AND COMPANION POLICY 21-101 CP
AND TO NATIONAL INSTRUMENT 23-101 TRADING RULES AND COMPANION POLICY 23-101CP**

On May 16, 2012, the Minister of Finance approved amendments (the Amendments) to the following instruments:

- National Instrument 21-101 *Marketplace Operation* (NI 21-101) and Companion Policy 21-101CP;
- National Instrument 23-101 *Trading Rules* (NI 23-101) and Companion Policy 23-101CP;
- Form 21-101F1 *Information Statement Exchange or Quotation and Trade Reporting System*;
- Form 21-101F2 *Initial Operation Report Alternative Trading System*;
- Form 21-101F3 *Quarterly Report of Marketplace Activities* (Form 21-101F3); and
- Form 21-101F5 *Initial Operation Report for Information Processor*.

The Amendments were published in the Ontario Securities Commission Bulletin on March 23, 2012 at (2012) 35 OSCB (Supp-1).

The key objectives of the Amendments are to:

- update and streamline the regulatory and reporting requirements and to align, where applicable, the requirements applicable to all marketplaces;
- establish the circumstances under which orders are exempt from the pre-trade transparency requirements in NI 21-101;
- increase transparency of marketplace operations;
- update other requirements applicable to marketplaces to address certain issues or situations, such as conflicts of interest, outsourcing arrangements, or business continuity plans;
- give guidance in a number of areas, including what would be considered a marketplace or when indications of interest would be considered to be firm orders;
- extend the current exemption from transparency requirements applicable to government debt securities until December 31, 2014;
- extend the obligation in NI 23-101 to not intentionally lock or cross markets to marketplaces in certain circumstances; and
- revise and update the requirements applicable to information processors.

The Amendments will come into force on **July 1, 2012**, with the exception of the amendments to Form 21-101F3, which come into force on **December 31, 2012**.

The Amendments are published in Chapter 5 of this Bulletin and at www.osc.gov.on.ca. No changes have been made to the rule since publication in the Bulletin on March 23, 2012.

June 14, 2012