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COR#06/117

Exemption Order

Swift Trade Inc.

Section 48 of the *Securities Act*, RSBC 1996, c. 418

Background

- ¶ 1 Swift Trade Inc. applied for an exemption from the dealer registration requirement in section 34 (1) (a) of the Act for activities conducted in British Columbia by Swift Trade, its client, Barka Co. Ltd., and independent contractors employed by Barka.

Representations

- ¶ 2 Swift Trade represents:
1. Swift Trade has an agreement with Barka, a Cyprus company, to administer Barka's trading;
 2. Barka trades as principal in liquid securities traded primarily over major US and UK markets, such as NASDAQ and the NYSE; it does not intentionally hold overnight positions in any securities;
 3. Barka trades through independent contractors working in British Columbia; using software developed by Swift Trade, the independent contractors input electronic instructions to execute purchases and sales for Barka;
 4. Swift Trade receives the trading instructions from the independent contractors and routes them through a dealer regulated by the securities regulatory authority in the jurisdiction in which each trade is made;
 5. trades are primarily executed on markets outside of Canada;
 6. Swift Trade's systems and software are designed to ensure compliance with applicable securities laws and exchange requirements in the jurisdictions in which trades are made and to place internal controls on traders;
 7. Swift Trade employs a full time compliance officer in the Toronto head office who performs daily reviews of trading activity to ensure compliance with

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applicable securities laws and exchange requirements in the jurisdictions in which trades are made and to monitor for manipulative practices;

8. Barka and/or Swift Trade retains local managers to supervise the activities of the independent contractors in British Columbia;
9. Barka requires each of its independent contractors to sign an agreement acknowledging that the independent contractor must comply with Swift Trade's requirements and that Swift Trade is entitled to enforce the terms of Barka's agreement with the independent contractor;
10. Barka is an accredited investor as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*.

Order

¶ 3 Considering that it is not prejudicial to the public interest, the Commission orders under section 48 of the Act that Swift Trade, Barka and the independent contractors are exempt from the dealer registration requirement, provided that they:

- (a) trade primarily in securities listed on markets outside of Canada;
- (b) execute each trade through a dealer regulated by the securities regulatory authority in the jurisdiction in which the trade is made; and
- (c) do not solicit trades from any person in British Columbia.

¶ 4 December 6, 2006

Robin Ford
Commissioner