

2008 BCSECCOM 279

Variation Order

Investment Industry Regulatory Organization of Canada (IIROC)

Section 171 of the *Securities Act*, RSBC 1996, c. 418

Background

¶ 1 The Executive Director made an order on January 12, 2006 under section 27(1)(a) of the Act (the Original Decision) to require Market Regulation Services (RS) to waive its requirement that an ATS subscriber execute the confirmation and representation form and the acknowledgement described in section 3.6 of the standard RSP Agreement, if

(a) the subscriber signs and delivers a release of RS in this form:

RS, its directors, officers, employees, agents and any other person acting under its authority is not liable to the Subscriber or any of its Regulated Persons (as defined in the Universal Market Integrity Rules (UMIRs)) for any loss, damage, cost, expense, or other liability or claim arising from any act or omission in good faith, connected with RS's performance of services as a RSP (as defined in NI 21-101); or

(b) the ATS executes an indemnity consistent with section 11.10 of the UMIRs and takes steps, satisfactory to RS (acting reasonably), to ensure it can satisfy the indemnity.

IIROC applied for an order to vary the Original Decision.

Representations

¶ 2 On June 1, 2008, RS combined with the Investment Dealers Association of Canada (IDA) to become IIROC.

¶ 3 Like RS, IIROC is a regulation services provider (RSP) under National Instrument 21-101 *Marketplace Operation* and National Instrument 23-101 *Trading Rules* (the ATS Rules). It has been recognized by the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission (Securities Division), the Manitoba Securities Commission, the Ontario Securities Commission, the Autorité des marchés financiers, Newfoundland and Labrador, Securities Division, Department of Government

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Services and Lands, Nova Scotia Securities Commission and the New Brunswick Securities Commission.

- ¶ 4 Because of the combination with the IDA, IIROC has requested that the Commission vary the Original Decision to reflect its new name and the securities regulatory authorities that have recognized it as a self-regulatory organization or self-regulatory body.

Order

- ¶ 5 Because it is not prejudicial to the public interest, the Executive Director orders under section 171 of the Act, that the Original Decision be varied with the following:

1. each reference to Market Regulation Services Inc. be deleted and replaced with a reference to Investment Industry Regulatory Organization of Canada;
2. each reference to RS be deleted and replaced with a reference to IIROC;
3. paragraph 3 be deleted and replaced by the following:

“IIROC is an RSP under the ATS Rules and has been recognized by the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission (Securities Division), the Manitoba Securities Commission, the Ontario Securities Commission, the Autorité des marchés financiers, Newfoundland and Labrador, Securities Division, Department of Government Services and Lands, Nova Scotia Securities Commission and the New Brunswick Securities Commission.”;

4. paragraph 8 be deleted.

- ¶ 6 May 26, 2008 effective June 1, 2008

Brenda M. Leong
Executive Director