

**PROVINCE OF BRITISH COLUMBIA**

**RULE OF THE BRITISH COLUMBIA SECURITIES COMMISSION**

***Securities Act***

The British Columbia Securities Commission orders that, effective October 1, 2015,

- (a) National Instrument 21-101 *Marketplace Operation*, B.C. Reg. 251/2001, is amended as set out in the attached Schedule A, and
- (b) National Instrument 23-101 *Trading Rules*, B.C. Reg. 252/2001, is amended as set out in the attached Schedule B.

**DEPOSITED**

September 28, 2015

B.C. REG. 179/2015

September 28, 2015  
Date

  
British Columbia Securities Commission

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*(This part is for administrative purposes only and is not part of the Order.)*

Authority under which Order is made:

Act and section: Securities Act, R.S.B.C. 1996, c. 418, s. 184

Other: \_\_\_\_\_

June 23, 2015

## **Schedule A**

- 1. National Instrument 21-101 Marketplace Operation, B.C. Reg. 251/2001, is amended as set out in this Schedule.**
- 2. National Instrument 21-101 Marketplace Operation is amended by replacing "shall" wherever it occurs with "must".**
- 3. Section 1.1 is amended**
  - (a) in paragraph (c) of the definition of "government debt security" by adding "in Canada" after "public body",**
  - (b) in the definition of "information processor" by adding "and, in Québec, that is a recognized information processor" after "Form 21-101F5", and**
  - (c) by adding the following definition:**

**"participant dealer" means a participant dealer as defined in Part 1 of National Instrument 23-103 *Electronic Trading and Direct Electronic Access to Marketplaces*;**
- 4. Section 1.4 is amended in subsection (1) by deleting "Alberta and".**
- 5. Section 3.2 is amended**
  - (a) in subsection (1) by replacing "Form" with "applicable form" after "in the manner set out in the",**
  - (b) by adding the following subsection:**

**(1.1) A marketplace that has entered into an agreement with a regulation services provider under NI 23-101 must not implement a significant change to a matter set out in Exhibit E – Operation of the Marketplace of Form 21-101F1 or Exhibit E – Operation of the Marketplace of Form 21-101F2, as applicable, or Exhibit I – Securities of Form 21-101F1 or Exhibit I – Securities of Form 21-101F2, as applicable, unless the marketplace has provided the applicable exhibit to its regulation services provider at least 45 days before implementing the change.,**
  - (c) In subsection (3) by replacing "Form" with "applicable form" after "amendment to the information provided in the", and**
  - (d) by adding the following subsections:**
    - (4) The chief executive officer of a marketplace, or an individual performing a similar function, must certify in writing, within 30**

days after the end of each calendar year, that the information contained in the marketplace's current Form 21-101F1 or Form 21-101F2, as applicable, including the description of its operations, is true, correct, and complete and that the marketplace is operating as described in the applicable form.

- (5) A marketplace must file an updated and consolidated Form 21-101F1 or Form 21-101F2, as applicable, within 30 days after the end of each calendar year..

**6. Paragraph 4.1(1)(c) is amended by adding "unmodified" before "auditor's report".**

**7. Section 5.10 is amended by adding the following subsections:**

- (1.1) Despite subsection (1), a marketplace may release a marketplace participant's order or trade information to a person or company if the marketplace
  - (a) reasonably believes that the information will be used solely for the purpose of capital markets research,
  - (b) reasonably believes that, if information identifying, directly or indirectly, a marketplace participant or a client of the marketplace participant is released,
    - (i) it is required for the purpose of the capital markets research, and
    - (ii) the research is not intended for the purpose of
      - (A) identifying a particular marketplace participant or a client of the marketplace participant, or
      - (B) identifying a trading strategy, transactions, or market positions of a particular marketplace participant or a client of the marketplace participant, and
  - (c) has entered into a written agreement with each person or company that will receive the order and trade information from the marketplace that provides that
    - (i) the person or company must
      - (A) not disclose to, or share any information with, any person or company if that information could, directly or indirectly, identify a marketplace participant or a client of the marketplace

participant without the marketplace's consent, other than as provided under subparagraph (ii),

- (B) not publish or otherwise disseminate data or information that discloses, directly or indirectly, a trading strategy, transactions, or market positions of a marketplace participant or a client of the marketplace participant,
  - (C) not use the order and trade information, or provide it to any other person or company, for any purpose other than capital markets research,
  - (D) keep the order and trade information securely stored at all times,
  - (E) keep the order and trade information for no longer than a reasonable period of time after the completion of the research and publication process, and
  - (F) immediately inform the marketplace of any breach or possible breach of the confidentiality of the information provided,
- (ii) the person or company may disclose order or trade information used in connection with research submitted to a publication if
- (A) the information to be disclosed will be used solely for the purposes of verification of the research carried out by the person or company,
  - (B) the person or company must notify the marketplace prior to disclosing the information for verification purposes, and
  - (C) the person or company must obtain written agreement from the publisher, and any other person or company involved in the verification of the research, that the publisher or the other person or company will
    - (I) maintain the confidentiality of the information,
    - (II) use the information only for the purposes of verifying the research,

- (III) keep the information securely stored at all times,
    - (IV) keep the information for no longer than a reasonable period of time after the completion of the verification, and
    - (V) immediately inform the marketplace of any breach or possible breach of the agreement or of the confidentiality of the information provided, and
  - (iii) the marketplace has the right to take all reasonable steps necessary to prevent or address a breach or possible breach of the confidentiality of the information provided or of the agreement.
- (1.2) A marketplace that releases a marketplace participant's order or trade information under subsection (1.1) must
- (a) promptly inform the regulator or, in Québec, the securities regulatory authority, in the event the marketplace becomes aware of any breach or possible breach of the confidentiality of the information provided or of the agreement, and
  - (b) take all reasonable steps necessary to prevent or address a breach or possible breach of the confidentiality of the information provided or of the agreement..

**8. The following section is added to Part 5:**

**5.13 Access Arrangements with a Service Provider**

If a third party service provider provides a means of access to a marketplace, the marketplace must ensure the third party service provider complies with the written standards for access that the marketplace has established pursuant to paragraph 5.1(2)(a) when providing the access services..

**9. Section 7.1 is amended by adding the following subsection:**

- (3) A marketplace that is subject to subsection (1) must not make the information referred to in that subsection available to any person or company before it makes that information available to an information processor or, if there is no information processor, to an information vendor..

**10. Section 7.2 is amended by renumbering it as subsection 7.2(1) and by adding the following subsection:**

- (2) A marketplace that is subject to subsection (1) must not make the information referred to in that subsection available to any person or company before it makes that information available to an information processor or, if there is no information processor, to an Information vendor..
- 11. Section 10.1 is amended by replacing “publicly disclose on its website information” with “publicly disclose, on its website, information”.**
- 12. Section 10.1 is amended**
  - (a) in paragraph (g) by deleting “and”,**
  - (b) in paragraph (h) by replacing “.” with “,”, and**
  - (c) by adding the following paragraphs:**
    - (i) any access arrangements with a third party service provider, including the name of the third party service provider and the standards for access to be complied with by the third party service provider, and**
    - (j) the hours of operation of any testing environments provided by the marketplace, a description of any differences between the testing environment and production environment of the marketplace and the potential impact of these differences on the effectiveness of testing, and any policies and procedures relating to the marketplace's use of uniform test symbols for the purposes of testing in its production environment..**
- 13. Subparagraph 11.2(1)(c)(xviii) is amended by replacing “;” with “,”.**
- 14. Section 11.2.1 is amended**
  - (a) in paragraph (a) by replacing “in electronic form;” with “in electronic form and in the manner requested by the regulation services provider,” , and**
  - (b) in paragraph (b) by adding “and in the manner requested by the securities regulatory authority” after “in electronic form”.**
- 15. Subsection 11.3(1) is amended**
  - (a) in paragraph (f) by deleting “and”,**
  - (b) in paragraph (g) by replacing “.” with “,” after “subsections 13.1(2) and 13.1(3)”, and**
  - (c) by adding the following paragraphs:**

- (h) a copy of any agreement referred to in section 5.10; and
- (l) a copy of any agreement referred to in paragraph 5.12(c)..

**16. Section 12.1 is amended**

- (a) **by replacing** “For each of its systems that support” **with** “For each system, operated by or on behalf of the marketplace, that supports”,
- (b) **in paragraph (c) by replacing** “malfunction or delay” **with** “malfunction, delay or security breach and provide timely updates on the status of the failure, malfunction, delay or security breach, the resumption of service and the results of the marketplace’s internal review of the failure, malfunction, delay or security breach”.

**17. The following section is added:**

**12.1.1 Auxiliary Systems** – For each system that shares network resources with one or more of the systems, operated by or on behalf of the marketplace, that supports order entry, order routing, execution, trade reporting, trade comparison, data feeds, market surveillance and trade clearing, that, if breached, would pose a security threat to one or more of the previously mentioned systems, a marketplace must

- (a) develop and maintain an adequate system of information security controls that relate to the security threats posed to any system that supports order entry, order routing, execution, trade reporting, trade comparison, data feeds, market surveillance and trade clearing, and
- (b) promptly notify the regulator or, in Québec, the securities regulatory authority and, if applicable, its regulation services provider, of any material security breach and provide timely updates on the status of the breach, the resumption of service, where applicable, and the results of the marketplace’s internal review of the security breach..

**18. Subsection 12.2(1) is repealed and the following substituted:**

- (1) A marketplace must annually engage a qualified party to conduct an independent systems review and prepare a report in accordance with established audit standards to ensure that the marketplace is in compliance with

(a) paragraph 12.1(a),

(b) section 12.1.1, and

(c) section 12.4..

**19. Paragraph 12.2(2)(b) is repealed and the following substituted:**

- (b) the regulator or, in Québec, the securities regulatory authority, by the earlier of the 30<sup>th</sup> day after providing the report to its board of directors or the audit committee and the 60<sup>th</sup> day after the calendar year end..

**20. Section 12.3 is amended**

**(a) by repealing subsection (3) and substituting the following:**

- (3) A marketplace must not begin operations before
- (a) it has complied with paragraphs (1)(a) and (2)(a),
  - (b) its regulation services provider, if applicable, has confirmed to the marketplace that trading may commence on the marketplace, and
  - (c) the chief information officer of the marketplace, or an individual performing a similar function, has certified in writing to the regulator or, in Québec, the securities regulatory authority, that all information technology systems used by the marketplace have been tested according to prudent business practices and are operating as designed.,

**(b) by adding the following subsection:**

- (3.1) A marketplace must not implement a material change to the systems referred to in section 12.1 before
- (a) it has complied with paragraphs (1)(b) and (2)(a), and
  - (b) the chief information officer of the marketplace, or an individual performing a similar function, has certified in writing to the regulator or, in Québec, the securities



regulatory authority, that the change has been tested according to prudent business practices and is operating as designed., *and*

- (c) *in subsection (4) by replacing "Paragraphs 12.3(1)(b) and (2)(b) do" with "Subsection (3.1) does".*

**21. The following section is added:**

**12.3.1 Uniform Test Symbols**

A marketplace must use uniform test symbols, as set by a regulator or, in Québec, the securities regulatory authority, for the purpose of performing testing in its production environment..

**22. Section 12.4 is repealed and the following substituted:**

**12.4 Business Continuity Planning**

- (1) A marketplace must
- (a) develop and maintain reasonable business continuity plans, including disaster recovery plans, and
  - (b) test its business continuity plans, including disaster recovery plans, according to prudent business practices on a reasonably frequent basis and, in any event, at least annually.
- (2) A marketplace with a total trading volume in any type of security equal to or greater than 10% of the total dollar value of the trading volume in that type of security on all marketplaces in Canada during at least two of the preceding three months of operation must establish, implement, and maintain policies and procedures reasonably designed to ensure that each system, operated by or on behalf of the marketplace, that supports order entry, order routing, execution, trade reporting, trade comparison, data feeds, and trade clearing, can resume operations within two hours following the declaration of a disaster by the marketplace.
- (3) A recognized exchange or quotation and trade reporting system, that directly monitors the conduct of its members or users and enforces requirements set under subsection 7.1(1) or 7.3(1) of NI 23-101, must establish, implement, and maintain policies and procedures reasonably designed to ensure that each system, operated by or on behalf of the marketplace, that is critical and supports real-time market surveillance, can resume operations within two hours following the declaration of a disaster at the primary site by the exchange or quotation and trade reporting system.

- (4) A regulation services provider, that has entered into a written agreement with a marketplace to conduct market surveillance for the marketplace, must establish, implement, and maintain policies and procedures reasonably designed to ensure that each system, operated by or on behalf of the regulation services provider, that is critical and supports real-time market surveillance can resume operations within two hours following the declaration of a disaster at the primary site by the regulation services provider..

**23. The following section is added:**

**12.4.1 Industry-Wide Business Continuity Tests**

A marketplace, recognized clearing agency, information processor and participant dealer must participate in all industry-wide business continuity tests, as determined by a regulation services provider, regulator or, in Québec, the securities regulatory authority..

**24. In the following provisions "and settled" is replaced with "to a clearing agency":**

**(a) Subsection 13.1(2);**

**(b) Subsection 13.1(3).**

**25. The following section is added:**

**13.2 Access to Clearing Agency of Choice**

- (1) A marketplace must report a trade in a security to a clearing agency designated by a marketplace participant.
- (2) Subsection (1) does not apply to a trade in a security that is a standardized derivative or an exchange-traded security that is an option..

**26. Section 14.4 is amended**

**(a) in subsection (4) by adding "or changes to an electronic connection" after "in a timely manner an electronic connection", and**

**(b) by adding the following subsections:**

- (6.1) If an information processor is operated as a division or unit of a person or company, the person or company must file the income statement and the statement of cash flow of the information processor, and any other information necessary to demonstrate the financial condition of the information

processor, within 90 days after the end of the financial year of the person or company.

- (7.1) If an information processor is operated as a division or unit of a person or company, the person or company must file the financial budget relating to the information processor within 30 days of the start of the financial year of the person or company..

**27. Section 14.5 is amended**

**(a) by replacing “;” with “,” wherever it occurs, and**

**(b) by repealing subparagraph (d)(ii) and substituting the following:**

- (ii) the regulator or, in Québec, the securities regulatory authority, by the earlier of the 30<sup>th</sup> day after providing the report to its board of directors or the audit committee and the 60<sup>th</sup> day after the calendar year end, and.

**28. Section 14.6 is repealed and the following substituted:**

**14.6 Business Continuity Planning**

An information processor must

- (a) develop and maintain reasonable business continuity plans, including disaster recovery plans,
- (b) test its business continuity plans, including disaster recovery plans, according to prudent business practices and on a reasonably frequent basis and, in any event, at least annually, and
- (c) establish, implement, and maintain policies and procedures reasonably designed to ensure that its critical systems can resume operations within one hour following the declaration of a disaster by the information processor..

**29. Section 14.7 is amended by replacing “with this Instrument, or a securities regulatory authority, unless” with “with this Instrument or a securities regulatory authority, unless”.**

**30. Form 21-101F1 is amended in the line “Type of Filing” by adding “; AMENDMENT No.” after “AMENDMENT”.**

**31. Exhibit C of Form 21-101F1 is amended by adding “and the Board mandate” after “including their mandates”.**

**32. Exhibit E of Form 21-101F1 is amended**

- (a) *In sections 7 to 10 by replacing "Description" with "A description",*  
*and*  
(b) *by adding the following paragraph at the end of the exhibit:*

The filer must provide all material contracts related to order routing, execution, trade reporting, trade comparison, data feeds, market surveillance and trade clearing..

**33. Exhibit F of Form 21-101F1 is amended by adding the following sections:**

4. A copy of the marketplace's policies and procedures for the selection of service providers to which key services and systems may be outsourced and for the evaluation and approval of such outsourcing arrangements that are established and maintained pursuant to paragraph 5.12(a) of National Instrument 21-101 *Marketplace Operation*.
5. A description of any conflicts of interest between the marketplace and the service provider to which key services and systems are outsourced and a copy of the policies and procedures to mitigate and manage such conflicts of interest that have been established pursuant to paragraph 5.12(b) of National Instrument 21-101 *Marketplace Operation*.
6. A description of the measures the marketplace has taken pursuant to paragraph 5.12(f) of National Instrument 21-101 *Marketplace Operation* to ensure that the service provider has established, maintains and periodically tests an appropriate business continuity plan, including a disaster recovery plan.
7. A description of the measures the marketplace has taken pursuant to paragraph 5.12(g) of National Instrument 21-101 *Marketplace Operation* to ensure that the service provider protects the proprietary, order, trade or any other confidential information of the participants of the marketplace.
8. A copy of the marketplace's processes and procedures to regularly review the performance of a service provider under an outsourcing arrangement that are established pursuant to paragraph 5.12(h) of National Instrument 21-101 *Marketplace Operation*..

**34. Exhibit G of Form 21-101F1 is repealed and the following substituted:**

*Exhibit G – Systems and Contingency Planning*

### ***General***

**Provide:**

- 1. A high level description of the marketplace's systems that support order entry, order routing, execution, trade reporting, trade comparison, data feeds, co-location and, if applicable, market surveillance and trade clearing.**
- 2. An organization chart of the marketplace's information technology group unless otherwise provided as part of the report required by subsection 12.2(1) of the Instrument.**

### ***Business Continuity Planning***

**Please provide a description of the marketplace's business continuity and disaster recovery plans that includes, but is not limited to, information regarding the following:**

- 1. Where the primary processing site is located.**
- 2. What the approximate percentage of hardware, software and network redundancy is at the primary site.**
- 3. Any uninterruptible power source (UPS) at the primary site.**
- 4. How frequently market data is stored off-site.**
- 5. Any secondary processing site, the location of any such secondary processing site, and whether all of the marketplace's critical business data is accessible through the secondary processing site.**
- 6. The creation, management and oversight of the plans, including a description of responsibility for the development of the plans and their ongoing review and updating.**
- 7. Escalation procedures, including event identification, impact analysis, and activation of the plans in the event of a disaster or disruption.**
- 8. Procedures for internal and external communications, including the distribution of information internally, to the securities regulatory authority and, if appropriate, to the public, together with the roles and responsibilities of marketplace staff for internal and external communications.**
- 9. The scenarios that would trigger the activation of the plans.**

10. How frequently the business continuity and disaster recovery plans are tested.
11. Procedures for recordkeeping in relation to the review and updating of the plans, including the logging of tests and deficiencies.
12. The targeted time to resume operations of critical information technology systems following the declaration of a disaster by the marketplace and the service level to which such systems are to be restored.
13. Any single points of failure faced by the marketplace.

#### ***Systems Capacity***

Please provide information regarding:

1. How frequently future market activity is evaluated in order to adjust processing capacity.
2. The approximate excess capacity maintained over average daily transaction volumes.
3. How often or at what point stress testing is performed.

#### ***Systems***

Please provide information regarding:

1. Whether the trading engine was developed in-house or by a commercial vendor.
2. Whether the trading engine is maintained in-house or by a commercial vendor and provide the name of the commercial vendor, if applicable.
3. The marketplace's networks. Please provide a copy of a high-level network diagram of the systems referred to in section 12.1 of the Instrument, as applicable, together with a description of the external points of contact for the marketplace's networks.
4. The message protocols supported by the marketplace's systems.
5. The transmission protocols used by the marketplace's systems.

#### ***IT Risk Assessment***

Please describe the IT risk assessment framework, including:

1. How the probability and likelihood of IT threats are considered.

2. How the impact of risks are measured according to qualitative and quantitative criteria.
  3. The documentation process for acceptable residual risks with related offsets.
  4. The development of management's action plan to implement a risk response to a risk that has not been accepted..
35. ***Exhibit K of Form 21-101F1 is amended in section 4 by adding "Please identify if the marketplace participant accesses the marketplace through co-location." after "or other access."***
  36. ***Exhibit N of Form 21-101F1 is amended by adding "Marketplace Operation" after "21-101".***
  37. ***Form 21-101F2 is amended***
    - (a) ***in the title by replacing "INITIAL OPERATION REPORT" with "INFORMATION STATEMENT", and***
    - (b) ***under the heading "TYPE OF FILING" by adding "; AMENDMENT No." after "AMENDMENT".***
  38. ***Exhibit E of Form 21-101F2 is amended***
    - (a) ***in sections 7 to 10 by replacing "Description" with "A description", and***
    - (b) ***by adding the following paragraph at the end of the exhibit:***  
The filer must provide all material contracts relating to order routing, execution, trade reporting, trade comparison, data feeds, market surveillance and trade clearing..
  39. ***Exhibit F of Form 21-101F2 is amended***
    - (a) ***by deleting "the" after "including any function associated with",***
    - (b) ***by adding "data" after "clearing and settlement,", and***
    - (c) ***by adding the following sections:***
      4. A copy of the marketplace's policies and procedures for the selection of service providers to which key services and systems may be outsourced and for the evaluation and approval of such outsourcing arrangements that are established

and maintained pursuant to paragraph 5.12(a) of National Instrument 21-101 *Marketplace Operation*.

5. A description of any conflicts of interest between the marketplace and the service provider to which key services and systems are outsourced and a copy of the policies and procedures to mitigate and manage such conflicts of interest that have been established pursuant to paragraph 5.12(b) of National Instrument 21-101 *Marketplace Operation*.
6. A description of the measures the marketplace has taken pursuant to paragraph 5.12(f) of National Instrument 21-101 *Marketplace Operation* to ensure that the service provider has established, maintains and periodically tests an appropriate business continuity plan, including a disaster recovery plan.
7. A description of the measures the marketplace has taken pursuant to paragraph 5.12(g) of National Instrument 21-101 *Marketplace Operation* to ensure that the service provider protects the proprietary order, trade or any other confidential information of the participants of the marketplace.
8. A copy of the marketplace's processes and procedures to regularly review the performance of a service provider under an outsourcing arrangement that are established pursuant to paragraph 5.12(h) of National Instrument 21-101 *Marketplace Operation*.

**40. *Exhibit G of Form 21-101F2 is repealed and the following substituted:***

***Exhibit G – Systems and Contingency Planning***

***General***

**Provide:**

1. A high level description of the marketplace's systems that support order entry, order routing, execution, trade reporting, trade comparison, data feeds, co-location and, if applicable, market surveillance and trade clearing.
2. An organization chart of the marketplace's information technology group unless otherwise provided as part of the report required by subsection 12.2(1) of the Instrument.

***Business Continuity Planning***



Please provide a description of the marketplace's business continuity and disaster recovery plans that includes, but is not limited to, information regarding the following:

1. Where the primary processing site is located.
2. What the approximate percentage of hardware, software and network redundancy is at the primary site.
3. Any uninterruptible power source (UPS) at the primary site.
4. How frequently market data is stored off-site.
5. Any secondary processing site, the location of any such secondary processing site, and whether all of the marketplace's critical business data is accessible through the secondary processing site.
6. The creation, management and oversight of the plans, including a description of responsibility for the development of the plans and their ongoing review and updating.
7. Escalation procedures, including event identification, impact analysis, and activation of the plans in the event of a disaster or disruption.
8. Procedures for internal and external communications, including the distribution of information internally, to the securities regulatory authority and, if appropriate, to the public, together with the roles and responsibilities of marketplace staff for internal and external communications.
9. The scenarios that would trigger the activation of the plans.
10. How frequently the business continuity and disaster recovery plans are tested.
11. Procedures for recordkeeping in relation to the review and updating of the plans, including the logging of tests and deficiencies.
12. The targeted time to resume operations of critical information technology systems following the declaration of a disaster by the marketplace and the service level to which such systems are to be restored.
13. Any single points of failure faced by the marketplace.

***Systems Capacity***

Please provide information regarding:

1. How frequently future market activity is evaluated in order to adjust processing capacity.
2. The approximate excess capacity maintained over average daily transaction volumes.
3. How often or at what point stress testing is performed.

#### ***Systems***

Please provide information regarding:

1. Whether the trading engine was developed in-house or by a commercial vendor.
2. Whether the trading engine is maintained in-house or by a commercial vendor and provide the name of the commercial vendor, if applicable.
3. The marketplace's networks. Please provide a copy of a high-level network diagram of the systems referred to in section 12.1 of the Instrument, as applicable, together with a description of the external points of contact for the marketplace's networks.
4. The message protocols supported by the marketplace's systems.
5. The transmission protocols used by the marketplace's systems.

#### ***IT Risk Assessment***

Please describe the IT risk assessment framework, including:

1. How the probability and likelihood of IT threats are considered.
  2. How the impact of risks are measured according to qualitative and quantitative criteria.
  3. The documentation process for acceptable residual risks with related offsets.
  4. The development of management's action plan to implement a risk response to a risk that has not been accepted..
- 41. *Exhibit I of Form 21-101F2 is amended by adding "list" after "If this is an initial filing,".***
- 42. *Exhibit K of Form 21-101F2 is amended in section 4 by adding "Please identify if the marketplace participant accesses the marketplace through co-location." after "or other access.".***

**43. Exhibit N of Form 21-101F2 is amended by adding "Marketplace Operation" after "21-101".**

**44. Part A. General Marketplace Information of Form 21-101F3 is repealed and the following substituted:**

**A. General Marketplace Information**

1. Marketplace Name:
2. Period covered by this report:
3. Identification
  - A. Full name of marketplace (if sole proprietor, last, first and middle name):
  - B. Name(s) under which business is conducted, if different from item A:
  - C. Marketplace main street address:
4. A list of all amendments to the information in Form 21-101F1 or 21-101F2 that were filed with the Canadian securities regulatory authorities and implemented during the period covered by the report. The list must include a brief description of each amendment, the date filed and the date implemented.
5. A list of all amendments to the information in Form 21-101F1 or 21-101F2 that have been filed with the Canadian securities regulatory authorities but not implemented as of the end of the period covered by the report. The list must include a brief description of each amendment, the date filed and the reason why it was not implemented.
6. Systems – If any outages occurred at any time during the period for any system relating to trading activity, including trading, routing or data, provide the date, duration, reason for the outage and its resolution.
7. Systems Changes – A brief description of any significant changes to the systems and technology used by the marketplace that support order entry, order routing, execution, trade reporting, trade comparison, data feeds, co-location and, if applicable, market surveillance and trade clearing that were planned, under development, or implemented during the quarter. Please provide the current status of the changes that are under development..

**45. Section 1 of Part B. of Form 21-101F3 is amended in Chart 2**

**(a) by deleting "%" wherever it occurs, and**

(b) *by deleting “% of exchange-traded securities that are”.*

46. *Section 1 of Part B. of Form 21-101F3 is amended in Chart 3 by deleting “%” wherever it occurs.*

47. *Section 1 of Part B. of Form 21-101F3 is amended by repealing Item 7.*

48. *Section 2 of Part B. of Form 21-101F3 is amended in Item 2*

(a) *by replacing “the 10 most traded fixed income securities” with “each fixed income security traded”, and*

(b) *by deleting “(based on the value of the volume traded) for trades executed”.*

49. *Chart 8 of section 2 of Part B. of Form 21-101F3 is repealed and the following substituted:*

**Chart 8 – Traded fixed income securities**

<b>Category of Securities</b>	<b>Value Traded</b>	<b>Number of Trades</b>
<b>Domestic Unlisted Debt Securities - Government</b>		
1. Federal [Enter issuer, maturity, coupon]		
2. Federal Agency [Enter issuer, maturity, coupon]		
3. Provincial and Municipal [Enter issuer, maturity, coupon]		
<b>Domestic Unlisted Debt Securities – Corporate</b> [Enter issuer, maturity, coupon]		
<b>Domestic Unlisted Debt Securities – Other</b> [Enter issuer, maturity, coupon]		
<b>Foreign Unlisted Debt Securities – Government</b> [Enter issuer, maturity, coupon]		
<b>Foreign Unlisted Debt Securities – Corporate</b> [Enter issuer, maturity, coupon]		
<b>Foreign Unlisted Debt Securities –</b>		

Category of Securities	Value Traded	Number of Trades
Other [Enter issuer, maturity, coupon]		

50. **Section 4 of Part B. of Form 21-101F3 is amended in Chart 15**
- (a) **by deleting “%” wherever it occurs, and**
- (b) **by deleting “of” before “Volume”.**
51. **Section 4 of Part B. of Form 21-101F3, is amended in Chart 16 by deleting “%” wherever it occurs.**
52. **Section 4 of Part B of Form 21-101F3 is amended by repealing item 6.**
53. **Form 21-101F5 is amended**
- (a) **by replacing “INITIAL OPERATION REPORT FOR” with “INFORMATION STATEMENT” in the title, and**
- (b) **under the heading “TYPE OF FILING” by adding “; AMENDMENT No.” after “AMENDMENT.**
54. **Section 1 of Exhibit G of Form 21-101F5 is amended in paragraph 5 by replacing “Description” with “A description”.**
55. **Section 2 of Exhibit J of Form 21-101F5 is amended by replacing “exists” with “exist”.**
56. **Section 3 of Exhibit K of Form 21-101F5 is amended by replacing “dealers which” with “dealers that”.**

## **Schedule B**

- 1. National Instrument 23-101 Trading Rules, B.C. Reg. 252/2001, is amended as set out in this Schedule.**
- 2. Sections 3.1 and 4.3 are amended by replacing "shall" with "must".**
- 3. Section 5.1 is amended by replacing "no person or company shall" with "a person or company must not".**
- 4. Sections 6.1, 6.3, 6.4, 6.5 and 6.6 are amended by replacing "shall" wherever it occurs with "must".**
- 5. Section 6.7 is amended by replacing "No person or company shall" with "A person or company must not".**
- 6. Section 6.8 is amended by adding ", except for paragraph 6.3(1)(c)," after "In Québec, this Part".**
- 7. Section 7.1 is amended**
  - (a) In subsections (1) and (2) by replacing "shall" with "must", and**
  - (b) by adding the following subsection:**
  - (3) If a recognized exchange has entered into a written agreement under section 7.2, the recognized exchange must adopt requirements, as determined necessary by the regulation services provider, that govern the recognized exchange and the conduct of the exchange's members, and that enable the regulation services provider to effectively monitor trading on the exchange and across marketplaces..**
- 8. Section 7.2 is repealed and the following substituted:**
  - 7.2 Agreement between a Recognized Exchange and a Regulation Services Provider – A recognized exchange that monitors the conduct of its members indirectly through a regulation services provider must enter into a written agreement with the regulation services provider which provides that the regulation services provider will**
    - (a) monitor the conduct of the members of the recognized exchange,**
    - (b) monitor the compliance of the recognized exchange with the requirements set under subsection 7.1(3), and**
    - (c) enforce the requirements set under subsection 7.1(1).**
  - 7.2.1 Obligations of a Recognized Exchange to a Regulation Services**

**Provider** – A recognized exchange that has entered into a written agreement with a regulation services provider must

- (a) transmit to the regulation services provider the information required under Part 11 of NI 21-101 and any information reasonably required by the regulation services provider, in the form and manner requested by the regulation services provider, to effectively monitor
  - (i) the conduct of and trading by marketplace participants on and across marketplaces, including the compliance of marketplace participants with the requirements set under subsection 7.1(1), and
  - (ii) the conduct of the recognized exchange, including the compliance of the recognized exchange with the requirements set under subsection 7.1(3), and
- (b) comply with all orders or directions made by the regulation services provider..

**9. Section 7.3 is amended**

- (a) *In subsections (1) and (2) by replacing “shall” with “must”, and*
- (b) *by adding the following subsection:*
- (3) If a recognized quotation and trade reporting system has entered into a written agreement under section 7.4, the recognized quotation and trade reporting system must adopt requirements, as determined necessary by the regulation services provider, that govern the recognized quotation and trade reporting system and the conduct of the quotation and trade reporting system's users, and that enable the regulation services provider to effectively monitor trading on the recognized quotation and trade reporting system and across marketplaces..

**10. Section 7.4 is repealed and the following substituted:**

- 7.4 Agreement between a Recognized Quotation and Trade Reporting System and a Regulation Services Provider - A recognized quotation and trade reporting system that monitors the conduct of its users indirectly through a regulation services provider must enter into a written agreement with the regulation services provider which provides that the regulation services provider will**
- (a) monitor the conduct of the users of the recognized quotation and trade reporting system,

- (b) monitor the compliance of the recognized quotation and trade reporting system with the requirements set under subsection 7.3(3), and
- (c) enforce the requirements set under subsection 7.3(1).

**7.4.1 Obligations of a Quotation and Trade Reporting System to a Regulation Services Provider – A recognized quotation and trade reporting system that has entered into a written agreement with a regulation services provider must**

- (a) transmit to the regulation services provider the information required under Part 11 of NI 21-101 and any information reasonably required by the regulation services provider in the form and manner requested by the regulation services provider to effectively monitor
  - (i) the conduct of and trading by marketplace participants on and across marketplaces, including the compliance of marketplace participants with the requirements set under subsection 7.3(1), and
  - (ii) the conduct of the recognized quotation and trade reporting system, including the compliance of the recognized quotation and trade reporting system with the requirements set under subsection 7.3(3), and
- (b) comply with all orders or directions made by the regulation services provider..

11. ***Sections 7.5 to 9.2 and section 10.1 are amended by replacing “shall” wherever it occurs with “must”.***
12. ***Section 10.2 is amended by replacing “shall enter into an agreement” with “must enter into a written agreement”.***
13. ***Sections 11.2 and 11.3 are amended by replacing “shall” wherever it occurs with “must”.***