

CSA Multilateral Notice 24-317

Notice of Relief from Certain Filing Provisions under National Instrument 24-101 Institutional Trade Matching and Settlement

March 26, 2020

Introduction

The securities regulatory authorities of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Nunavut, the Northwest Territories, and Yukon (the participating jurisdictions or we) announce that we will grant relief to registered dealers or advisers (registered firms) through a three-year moratorium from the application of section 4.1 of National Instrument 24-101 *Institutional Trade Matching and Settlement* (NI 24-101).

As set out in Notice of Amendment: National Instrument 24-101 *Institutional Trade Matching and Settlement*, the Ontario Securities Commission is seeking ministerial approval for amendments to NI 24-101 that would provide harmonized relief (amendments) beginning on July 1, 2020 and ending on July 1, 2023. We will coordinate our moratorium beginning date and moratorium end date with the amendments.

Substance and Purpose

The relief provides a three-year moratorium on the applicability of section 4.1 *Exception reporting requirement* of NI 24-101 (exception reporting requirement). Registered firms will not be required to deliver Form 24-101F1 *Registered Firm Exception Report of DAP/RAP Trade Reporting and Matching* (Form 24-101F1) to the participating jurisdictions beginning on July 1, 2020 and ending on July 1, 2023.

Following the successful shortening of the settlement cycle by a day in 2017, the on-going relevance of the requirement to deliver Form 24-101F1 came into question. The three-year moratorium will allow for the assessment of the need for filing of Form 24-101F1.

The local orders in the participating jurisdictions are

- BC Instrument 24-501 *Exemption from the filing requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*
- Alberta Securities Commission Blanket Order 24-505 *Relief from Exception Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Financial and Consumer Affairs Authority of Saskatchewan General Order 24-501 *In the Matter of Relief from Certain Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Manitoba Securities Commission Blanket Order No. 7503 – *Relief from Certain Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Autorité des marchés financiers Décision générale relative à la dispense de certaines

obligations prévues au *Règlement 24-101 sur l'appariement et le règlement des opérations institutionnelles*

- Nova Scotia Securities Commission Blanket Order No. 24-503 *In the Matter of Relief from Certain Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Financial and Consumer Services Commission of New Brunswick Blanket Order 24-502 *In the Matter of Exemption from Certain Reporting Requirements in National Instrument 24-101 Institutional Trade Matching and Settlement*
- Prince Edward Island Blanket Order 24-501 – *Relief from Certain Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Newfoundland and Labrador Blanket Order No. 106 *In the Matter of Relief from Certain Reporting Requirements under National Instrument 24-101 Institutional Trade Matching and Settlement*
- Nunavut Blanket Order 24-501 *Exemption from Certain Reporting Requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*
- Northwest Territories Blanket Order 24-501 *Exemption from Certain Reporting Requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*
- Yukon Superintendent Order 2020/01 *Exemption from Certain Reporting Requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*

In British Columbia, the three-year moratorium will be implemented by varying the existing relief set out in BC Instrument 24-501 *Exemption from the filing requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*.

Background

NI 24-101 has been in effect since 2007. It provides a framework for ensuring efficient and timely settlement processing of institutional trades (equity and debt) by registered firms. NI 24-101 has a number of requirements including that registered firms are required to establish, maintain and enforce policies and procedures designed to achieve a matching threshold for institutional trades.

Under the exception reporting requirement, registered firms are required to deliver Form 24-101F1 to the participating jurisdictions if less than 90% of trades executed by or for the registered firm during the quarter matched within the time required by NI 24-101. Form 24-101F1 requires registered firms, among other things, to explain why they did not meet the matching threshold and the steps to address the delay.

Continued Obligation Under NI 24-101

The relief provides a three-year moratorium on the applicability of the exception reporting requirement. The relief from NI 24-101 does not relieve registered firms from complying with other requirements in NI 24-101, for example establishing, maintaining and enforcing policies and procedures to achieve the matching threshold for institutional trades.

Questions

Please refer your questions to any of the following:

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