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PART II/PARTIE II

REVISED REGULATIONS OF SASKATCHEWAN/ RÈGLEMENTS RÉVISÉS DE LA SASKATCHEWAN

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SASKATCHEWAN REGULATIONS 85/2001*The Securities Act, 1988*

Section 154

Commission Order, dated October 18, 2001

(Filed November 19, 2001)

Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments) Amendment Regulations, 2001 (No. 6)*.

R.R.S. c.S-42.2 Reg 3 amended

2 *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

Section 2 amended

3(1) The following clause is added after clause 2(t):

“(u) Multilateral Instrument 45-102, entitled Resale of Securities, as set out in Part XXI of the Appendix”.

(2) The following clauses are added after clause 2(u):

“(v) National Instrument 21-101, entitled Marketplace Operation, as set out in Part XXII of the Appendix;

“(w) National Instrument 23-101, entitled Trading Rules, as set out in Part XXIII of the Appendix”.

Appendix amended

4(1) The following Part is added after Part XX of the Appendix:

“PART XXI

(clause 2(u))

“MULTILATERAL INSTRUMENT 45-102

“RESALE OF SECURITIES

“PART 1 DEFINITIONS

“1.1 Definitions - In this Instrument:

‘AIF’ means an annual information form of an issuer;

‘**approved rating**’ means, for a security, a rating at or above one of the following rating categories issued by an approved rating organization for the security or a rating category that preceded or replaces a category listed below:

Approved Rating Organization	Long Term Debt	Short Term Debt	Preferred Shares
Dominion Bond Rating Service Limited	BBB	R-2	Pfd-3
Fitch, Inc.	BBB	F3	BBB
Moody’s Investors Service, Inc.	Baa	Prime-3	baa
Standard & Poor’s Corporation	BBB	A-3	BBB

'approved rating organization' means each of Dominion Bond Rating Service Limited, Fitch, Inc., Moody's Investors Service, Inc., Standard & Poor's Corporation, and any of their predecessors or successors;

'control distribution' means a trade described in the provisions of securities legislation listed in Appendix A;

'convertible security' means a security of an issuer that is convertible into, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of the same issuer;

'CPC' means a capital pool company as defined in a CPC instrument and, in Manitoba, a keystone company as defined in Manitoba Securities Commission Rule 44-501 Keystone Companies;

'CPC information circular' means an information circular filed by an issuer and accepted under a CPC instrument in connection with a qualifying transaction;

'CPC instrument' means a rule or regulation of a jurisdiction, or a rule, regulation or policy of an exchange in Canada, that applies only to CPCs;

'current AIF' means:

- (a) an AIF that is a current AIF filed under NI 44-101 in at least one of the jurisdictions listed in Appendix B;
- (b) an AIF that is a 'Current AIF' as defined in NP 47 filed under NP 47 in at least one of the jurisdictions listed in Appendix B;
- (c) an AIF in the form required by Form 44-101F1 filed in at least one of the jurisdictions listed in Appendix B by an issuer not eligible to use NI 44-101 and containing audited financial statements for the issuer's most recently completed financial year;
- (d) an AIF that is a current AIF filed under British Columbia Instrument 45-506 or Alberta Rule 45-501;
- (e) a prospectus which has been filed in any jurisdiction that includes audited financial statements for the issuer's most recently completed financial year, other than:
 - (i) a short form prospectus filed under NI 44-101;
 - (ii) a short form prospectus filed under NP 47; or
 - (iii) a prospectus filed under a CPC instrument;
- (f) a CPC information circular filed in any jurisdiction that includes:
 - (i) audited financial statements for the issuer's most recently completed financial year;
 - (ii) audited financial statements for the target issuer's most recently completed financial year; and
 - (iii) a pro forma balance sheet that gives effect to the qualifying transaction accompanied by a compilation report of an auditor; and

(g) a current annual report on Form 10-K or Form 20-F under the 1934 Act for the issuer's most recently completed financial year filed in any jurisdiction by an issuer that has securities registered under section 12 of the 1934 Act or has a reporting obligation under subsection 15(d) of the 1934 Act;

'distribution date' means:

(a) in respect of a trade that is not a control distribution, the date the security that is the subject of the trade was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder;

(b) in respect of a trade that is a control distribution, the date the security that is the subject of the trade was acquired by the selling security holder;

(c) in respect of a trade of an underlying security that is not a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed in reliance on an exemption from the prospectus requirement by the issuer or, in the case of a control distribution, by the selling security holder; or

(d) in respect of a trade of an underlying security that is a control distribution, the date the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was acquired by the selling security holder;

'exchangeable security' means a security of an issuer that is exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a security of another issuer;

'multiple convertible security' means a security of an issuer that is convertible into, or exchangeable for, or carries the right of the holder to purchase or otherwise acquire, or of the issuer to cause the purchase or acquisition of, a convertible security, an exchangeable security or another multiple convertible security;

'NI 13-101' means National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR);

'NI 43-101' means National Instrument 43-101 Standards of Disclosure for Mineral Projects;

'NI 44-101' means National Instrument 44-101 Short Form Prospectus Distributions;

'NP 47' means National Policy Statement No. 47 Prompt Offering Qualification System;

'NP 2-B' means National Policy Statement No. 2-B Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators in the form in place on the effective date of this Instrument;

'private company' has the meaning ascribed to that term in securities legislation;

'private issuer' has the meaning ascribed to that term in securities legislation except in Ontario where 'private issuer' means a person that:

- (a) is not a reporting issuer or a mutual fund;
- (b) is an issuer all of whose issued and outstanding shares:
 - (i) are subject to restrictions on transfer contained in the constating documents of the issuer or one or more agreements among the issuer and the holders of its securities; and
 - (ii) are beneficially owned, directly or indirectly, by not more than 50 persons or companies, counting any two or more joint registered holders as one beneficial owner, exclusive of persons:
 - (A) that are employed by the issuer or an affiliated entity of the issuer; or
 - (B) that beneficially owned, directly or indirectly, shares of the issuer while employed by it or an affiliated entity of it and at all times since ceasing to be so employed have continued to beneficially own, directly or indirectly, at least one share of the issuer; and
- (c) has not distributed any securities to the public;

'qualified market' means any of:

- (a) The Toronto Stock Exchange Inc.;
- (b) Tier 1 or Tier 2 of the Canadian Venture Exchange Inc.;
- (c) Bourse de Montréal Inc.;
- (d) the American Stock Exchange;
- (e) Nasdaq National Market;
- (f) Nasdaq SmallCap Market;
- (g) the New York Stock Exchange;
- (h) the London Stock Exchange Limited; and
- (i) any predecessor or successor to any of the entities referred to in paragraphs (a) through (h);

'qualifying issuer' means an issuer:

- (a) that is a reporting issuer in a jurisdiction listed in Appendix B;
- (b) that is an electronic filer under NI 13-101;
- (c) that has a current AIF filed on SEDAR;
- (d) that:
 - (i) has a class of equity securities listed or quoted on a qualified market, has not been notified by the qualified market that it does not meet the requirements to maintain that listing or quotation and is not designated inactive, suspended or the equivalent; or
 - (ii) has a class of securities outstanding that has an approved rating;

(e) if it is not qualified to file a short form prospectus under NI 44-101, or prior to the effective date of NI 44-101 was not qualified to file a short form prospectus under NP 47, and has a mineral project or oil and gas producing activities, including exploration, that has filed with its current AIF, as if the current AIF were a prospectus, technical reports in accordance with NI 43-101 if the current AIF was filed after the effective date of NI 43-101, or a technical report and certificate prepared in accordance with NP 2-B;

(f) that, if it has received a notice in writing from any regulator that its current AIF, including any technical reports, is unacceptable, has satisfied the regulator that its current AIF is acceptable; and

(g) that, if it is a CPC, has filed a CPC information circular;

‘qualifying transaction’ means a transaction that, if completed, would result in the issuer no longer being a CPC;

‘SEDAR’ has the meaning ascribed to that term in NI 13-101; and

‘underlying security’ means a security issued or transferred, or to be issued or transferred, in accordance with the terms of a convertible security, an exchangeable security or a multiple convertible security.

“PART 2 FIRST TRADES

“2.1 Application – Except for sections 2.1, 2.8 and 2.9, this Part does not apply in Manitoba, New Brunswick, Prince Edward Island and the Yukon Territory.

“2.2 Removal of Resale Provisions – The provisions in securities legislation listed in Appendix C do not apply.

“2.3 Section 2.5 Applies – If a security was distributed under any of the provisions listed in Appendix D, the first trade of that security is subject to section 2.5.

“2.4 Section 2.6 Applies – If a security was distributed under any of the provisions listed in Appendix E, the first trade of that security is subject to section 2.6.

“2.5 Restricted Period

(1) Unless the conditions in subsection (2) or (3) are satisfied, a trade that is specified by section 2.3 or other securities legislation to be subject to this section is a distribution.

(2) If the issuer of the securities was a qualifying issuer at the distribution date, the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction listed in Appendix B for the four months immediately preceding the trade.
2. At least four months have elapsed from the distribution date.
3. If the distribution date is on or after the effective date of this Instrument, a certificate representing the securities was issued that carried a legend stating:

“Unless permitted under securities legislation, the holder of the securities shall not trade the securities before [insert the date that is four months and a day after the distribution date].”.

4. The trade is not a control distribution.
 5. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.
 6. No extraordinary commission or consideration is paid to a person or company in respect of the trade.
 7. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.
- (3) If the issuer of the securities was not a qualifying issuer at the distribution date, the conditions are:
1. The issuer is and has been a reporting issuer for the 12 months immediately preceding the trade:
 - (a) in a jurisdiction listed in Appendix B, if the issuer is an electronic filer under NI 13-101; or
 - (b) in the local jurisdiction of the purchaser of the securities that are the subject of the trade, if the issuer is not an electronic filer under NI 13-101.
 2. At least 12 months have elapsed from the distribution date.
 3. If the distribution date is on or after the effective date of this Instrument, a certificate representing the securities was issued that carried a legend:
 - (a) if the issuer is a reporting issuer in a jurisdiction listed in Appendix B and is an electronic filer under NI 13-101 on the distribution date, stating:

“Unless permitted under securities legislation, the holder of the securities shall not trade the securities before [insert the date that is 12 months and a day after the distribution date].”; or
 - (b) if the issuer is not a reporting issuer in a jurisdiction listed in Appendix B at the distribution date, stating:

“Unless permitted under securities legislation, the holder of the securities shall not trade the securities before the earlier of (i) the date that is 12 months and a day after the date the issuer first became a reporting issuer in any of Alberta, British Columbia, Manitoba, Nova Scotia, Ontario, Quebec and Saskatchewan, if the issuer is a SEDAR filer; and (ii) the date that is 12 months and a day after the later of (A) the distribution date, and (B) the date the issuer became a reporting issuer in the local jurisdiction of the purchaser of the securities that are the subject of the trade.”
 4. The trade is not a control distribution.
 5. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.

6. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

7. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

“2.6 Seasoning Period

(1) Unless the conditions in subsection (3), (4) or (5) are satisfied, a trade that is specified by section 2.4 or other securities legislation to be subject to this section is a distribution.

(2) The first trade of securities issued by a private company or private issuer made after the issuer has ceased to be a private company or private issuer is a distribution unless the conditions in subsection (4) are satisfied.

(3) If the issuer of the securities was a qualifying issuer at the distribution date, the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction listed in Appendix B for the four months immediately preceding the trade.

2. The trade is not a control distribution.

3. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.

4. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

5. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(4) If the issuer of the securities was not a qualifying issuer at the distribution date, the conditions are:

1. The issuer is and has been a reporting issuer for the 12 months immediately preceding the trade:

(a) in a jurisdiction listed in Appendix B, if the issuer is an electronic filer under NI 13-101; or

(b) in the local jurisdiction of the purchaser of the securities that are the subject of the trade, if the issuer is not an electronic filer under NI 13-101.

2. The trade is not a control distribution.

3. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.

4. No extraordinary commission or consideration is paid to a person or company in respect of the trade.

5. If the selling security holder is an insider or officer of the issuer, the selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(5) Despite subsection (4), if :

(a) the selling security holder acquired the securities under any of the provisions listed in Appendix F or a provision of securities legislation that specifies that the first trade of securities distributed to an employee, executive, consultant or administrator is subject to this section; and

(b) the issuer of the securities became a qualifying issuer after the distribution date by filing a prospectus in a jurisdiction listed in Appendix B and listing or quoting a class of its equity securities on a qualified market;

the conditions are the issuer is and has been a reporting issuer in a jurisdiction listed in Appendix B for the four months immediately preceding the trade and the conditions in items (4)2., 3., 4. and 5.

“2.7 Filing of Forms 45-102F1 and 45-102F2

(1) If an issuer ceases to be a private company or private issuer on or after the effective date of this Instrument, the issuer shall file Form 45-102F1.

(2) If:

(a) an issuer, or a selling security holder in the case of a control distribution, has distributed securities under any of the provisions listed in Appendix D or E or a provision of securities legislation that specifies that the first trade of the securities is subject to section 2.5 or 2.6;

(b) the distribution date is on or after the effective date of this Instrument; and

(c) the issuer was a qualifying issuer on the distribution date;

the issuer, or the selling security holder in the case of a control distribution, shall file Form 45-102F2 on or before the tenth day after the distribution date.

(3) If:

(a) an issuer has distributed securities under any of the provisions listed in Appendix F or a provision of securities legislation that specifies that the first trade of securities distributed to an employee, executive, consultant or administrator is subject to section 2.6;

(b) the issuer was not a qualifying issuer on the distribution date; and

(c) the issuer becomes a qualifying issuer on or after the effective date of this Instrument by filing a prospectus in a jurisdiction listed in Appendix B and listing or quoting a class of its equity securities on a qualified market;

the issuer shall file Form 45-102F2.

(4) The issuer, or the selling security holder in the case of a control distribution, shall file Form 45-102F2 on SEDAR.

“2.8 Exemption for a Trade by a Control Person

(1) The prospectus requirement does not apply to a control distribution, or a distribution by a lender, pledgee, mortgagee or other encumbrancer for the purpose of liquidating a debt made in good faith by selling or offering for sale a security pledged, mortgaged or otherwise encumbered in good faith as collateral for the debt if the security was acquired by the lender, pledgee, mortgagee or other encumbrancer in a control distribution, if the conditions in subsections (2) or (3) are satisfied.

(2) If the issuer of the securities was a qualifying issuer at the distribution date, the conditions are:

1. The issuer is and has been a reporting issuer in a jurisdiction listed in Appendix B for the four months immediately preceding the trade.
2. The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, has held the securities for at least four months.
3. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.
4. No extraordinary commission or consideration is paid to a person or company in respect of the trade.
5. The selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.

(3) If the issuer of the securities was not a qualifying issuer at the distribution date, the conditions are:

1. The issuer is and has been a reporting issuer for the 12 months immediately preceding the trade:
 - (a) in a jurisdiction listed in Appendix B, if the issuer is an electronic filer under NI 13-101; or
 - (b) in the local jurisdiction of the purchaser of the securities that are the subject of the trade, if the issuer is not an electronic filer under NI 13-101.
2. No unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade.
3. No extraordinary commission or consideration is paid to a person or company in respect of the trade.
4. The selling security holder has no reasonable grounds to believe that the issuer is in default of securities legislation.
5. The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt has held the securities for:
 - (a) at least 12 months, if the securities were distributed to the selling security holder under any of the provisions listed in Appendix D or a provision of securities legislation that specifies that the first trade of the securities is subject to section 2.5; and
 - (b) in all other cases, at least six months.

(4) The selling security holder, or the lender, pledgee, mortgagee or other encumbrancer if the distribution is for the purpose of liquidating a debt, under subsection (2) or (3) shall:

- (a) sign and file Form 45-102F3 at the times set out in subsections (6) and (7); and
- (b) file, within three days after the completion of any trade, a report of the trade in the form required to be filed by a person or company in order to comply with the insider reporting requirements.

(5) A person or company required to file Form 45-102F3 shall sign the form no earlier than one business day before its filing.

(6) Subject to subsections (7) and (8), a person or company required to file Form 45-102F3 shall file the form:

- (a) at least seven days and not more than 14 days before the first trade that forms part of the distribution;
- (b) on the 60th day after the date of filing under paragraph (a); and
- (c) thereafter at the end of each 28 day period.

(7) Subject to subsection (8), if a person or company has filed a Form 23 Notice of Intention to Distribute Securities or equivalent form before the effective date of this Instrument, the person or company shall file Form 45-102F3:

- (a) on the 60th day after the date of filing of the Form 23 or equivalent form, and thereafter at the end of each 28 day period; or
- (b) on the 28th day after the date of filing of the renewal Form 23 or equivalent form, and thereafter at the end of each 28 day period, if a renewal form has been filed before the effective date of this Instrument.

(8) A person or company is not required to file Form 45-102F3 under paragraph 6(b), 6(c), 7(a) or 7(b) if:

- (a) all of the securities specified under the original form have been sold; or
- (b) a notice has been filed in the jurisdictions in which a Form 45-102F3 would otherwise have been filed, which states that the securities specified under the original form, or the unsold part, are no longer for sale.

“2.9 Determining Time Periods

(1) In determining the period of time that an issuer has been a reporting issuer for the purposes of section 2.6 or 2.8, in the case of securities distributed under any of the provisions listed in Appendix G, the period of time that one of the amalgamating, merging or continuing issuers was a reporting issuer immediately before the amalgamation, merger or continuation may be included.

(2) In determining the period of time that a selling security holder has held a security for the purposes of section 2.5 or 2.8, if the security was acquired by the selling security holder from an affiliate of the selling security holder, the period of time that the security had been held by the affiliate before the transfer to the selling security holder may be included.

(3) In determining the period of time that a selling security holder has held an underlying security for the purposes of section 2.8, the period of time the selling security holder has held the convertible security, exchangeable security or multiple convertible security may be included.

(4) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held a security under item 2.8(2)2. or 2.8(3)5., the period of time the security has been held by the debtor may be included.

(5) In determining the period of time that a lender, pledgee, mortgagee or other encumbrancer has held an underlying security under item 2.8(2)2. or 2.8(3)5., the period of time the convertible security, exchangeable security or multiple convertible security has been held by the debtor may be included.

“2.10 Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Prospectus – Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if:

- (a) a receipt was obtained for a prospectus qualifying the distribution of the convertible security, exchangeable security or multiple convertible security;
- (b) the trade is not a control distribution; and
- (c) the issuer of the underlying security is a reporting issuer at the time of the trade.

“2.11 Exemption for a Trade in a Security Acquired in a Take-over Bid or Issuer Bid – Section 2.6 does not apply to a trade of a security of an offeror acquired by the selling security holder upon the exchange by or for the account of the offeror with the security holders of the offeree issuer in connection with a take-over bid or issuer bid if:

- (a) when the exemption from the prospectus requirement was relied upon, a securities exchange take-over bid circular or securities exchange issuer bid circular relating to the distribution of the securities was filed by the offeror on SEDAR;
- (b) the trade is not a control distribution; and
- (c) the offeror was a reporting issuer on the date securities of the offeree issuer are first taken up under the take-over bid or issuer bid.

“2.12 Exemption for a Trade in an Underlying Security if the Convertible Security, Exchangeable Security or Multiple Convertible Security is Qualified by a Securities Exchange Take-over Bid Circular or Issuer Bid Circular – Section 2.6 does not apply to a trade in an underlying security issued or transferred under the terms of a convertible security, exchangeable security or multiple convertible security if:

- (a) when the exemption from the prospectus requirement was relied upon, a securities exchange take-over bid circular or a securities exchange issuer bid circular relating to the distribution of the convertible security, exchangeable security or multiple convertible security was filed by the offeror on SEDAR;

- (b) the trade is not a control distribution;
- (c) the offeror was a reporting issuer on the date securities of the offeree issuer are first taken up under the take-over bid or issuer bid; and
- (d) the issuer of the underlying security is a reporting issuer at the time of the trade.

“2.13 Trades by Underwriters - A trade by an underwriter of securities distributed under any of the provisions listed in Appendix H is a distribution.

“2.14 First Trades in Securities of a Non-Reporting Issuer Distributed under a Prospectus Exemption

(1) The prospectus requirement does not apply to the first trade of a security distributed under an exemption from the prospectus requirement if:

- (a) the issuer of the security was not a reporting issuer in any jurisdiction at the distribution date;
- (b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada;
 - (i) did not own directly or indirectly more than 10 percent of the outstanding securities of the class or series; and
 - (ii) did not represent in number more than 10 percent of the total number of owners directly or indirectly of securities of the class or series; and
- (c) the trade is made:
 - (i) through an exchange, or a market, outside of Canada; or
 - (ii) to a person or company outside of Canada;

(2) The prospectus requirement does not apply to the first trade of an underlying security if:

- (a) the convertible security, exchangeable security or multiple convertible security that, directly or indirectly, entitled or required the holder to acquire the underlying security was distributed under an exemption from the prospectus requirement;
- (b) the issuer of the underlying security was not a reporting issuer in any jurisdiction at the distribution date of the convertible security, exchangeable security or multiple convertible security;
- (c) the conditions in paragraph (1)(b) would have been satisfied for the underlying security at the time of the initial distribution of the convertible security, exchangeable security or multiple convertible security; and
- (d) the condition in paragraph (1)(c) is satisfied.

“PART 3 CURRENT AIF FILING REQUIREMENTS**“3.1 Current AIF**

- (1) An issuer that has not filed an AIF:
- (a) under NI 44-101; or
 - (b) prior to the effective date of NI 44-101, under NP 47;
- may file a current AIF under this Instrument at any time.
- (2) An issuer filing a current AIF as defined in paragraphs (c), (d), (e), (f) or (g) of the definition of current AIF shall file a notice on SEDAR:
- (a) advising that it has filed a current AIF; and
 - (b) identifying the SEDAR project number under which the current AIF was filed.

“PART 4 EXEMPTION**“4.1 Exemption**

- (1) The regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

“PART 5 EFFECTIVE DATE

“5.1 Effective Date – This Instrument comes into force on November 30, 2001.

**“APPENDIX A
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES**

“CONTROL DISTRIBUTIONS

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	Sections 1(c.2) and 1(f)(iii) of the <i>Securities Act</i> (Alberta)
British Columbia	Paragraph (c) of the definition of ‘distribution’ contained in section 1(1) of the <i>Securities Act</i> (British Columbia)
Manitoba	Paragraph (b) of the definition of ‘primary distribution to the public’ contained in subsection 1(1) of the <i>Securities Act</i> (Manitoba)
Newfoundland	Clause 2(1)(l)(iii) of the <i>Securities Act</i> (Newfoundland)
Northwest Territories	Definition of ‘control person’ and paragraph (iii) of the definition of ‘distribution’ contained in subsection 1(1) of Blanket Order No. 1 of the Registrar of Securities.

Nova Scotia	Clause 2(1)(l)(iii) of the <i>Securities Act</i> (Nova Scotia)
Nunavut	Definition of 'control person' and paragraph (iii) of the definition of 'distribution' contained in subsection 1(1) of Blanket Order No. 1 of the Registrar of Securities.
Ontario	Paragraph (c) of the definition of 'distribution' contained in subsection 1(1) of the <i>Securities Act</i> (Ontario)
Saskatchewan	Subclauses 2(1)(r)(iii), (iv) and (v) of <i>The Securities Act, 1988</i> (Saskatchewan)

**“APPENDIX B
 TO
 “MULTILATERAL INSTRUMENT 45-102
 “RESALE OF SECURITIES**

“REPORTING ISSUER JURISDICTIONS

Alberta
 British Columbia
 Manitoba
 Nova Scotia
 Ontario
 Quebec
 Saskatchewan

**“APPENDIX C
 TO
 “MULTILATERAL INSTRUMENT 45-102
 “RESALE OF SECURITIES**

**“NON-APPLICABLE RESALE PROVISIONS
 (*Section 2.2*)**

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	Sections 109, 109.1, 110, 110.1, 110.2, 111 with respect to underwriters and 112 of the <i>Securities Act</i> (Alberta)
Nova Scotia	Subsections 77(5), 77(6), 77(7), 77(7A), 77(7B), 77(8), 77(9), 77(10)(a) and 77(11) of the <i>Securities Act</i> (Nova Scotia)
Ontario	Subsections 72(4) (except as referred to in Rule 45-503 Trades to Employees, Executives and Consultants), 72(5), 72(6) as it relates to clause 72(1)(r), and 72(7) of the <i>Securities Act</i> (Ontario)

**“APPENDIX D
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES**

**“RESTRICTED PERIOD TRADES
(Section 2.3)**

Sections 107(1)(a), (b), (c), (d), (l), (m), (p), (q), (t), (t.1), (u) and (z) of the *Securities Act* (Alberta), and section 107(1)(f)(iii) of the *Securities Act* (Alberta) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the *Securities Act* (Alberta)

Sections 74(2)(1) to (6), (16), (18), (19), (23) and (25) of the *Securities Act* (British Columbia)

Sections 128(a), (b), (c), (e), (f) and (h) of the *Securities Rules* (British Columbia)

Sections 74(2)(11)(ii) and 74(2)(13) of the *Securities Act* (British Columbia) if the security acquired by the selling security holder was initially acquired by a person or company under any of the sections of the *Securities Act* (British Columbia), or the *Securities Rules* (British Columbia) referred to in this Appendix

Section 74(2)(12) of the *Securities Act* (British Columbia) if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under any of the sections of the *Securities Act* (British Columbia) or the *Securities Rules* (British Columbia) referred to in this Appendix

Clauses 73(1)(a), (b), (c), (d), (l), (m), (p) and (q) of the *Securities Act* (Newfoundland) and subclause 73(1)(f)(iii) of the *Securities Act* (Newfoundland) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the *Securities Act* (Newfoundland)

Paragraphs 3(a), (b), (c), (k), (l), (m), (r), (s), (t), (u), (w) and (z), and clause 3(e)(iii) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories)

Clauses 77(1)(a), (b), (c), (d), (l), (m), (p), (q), (u), (w), (y), (ab) and (ad) of the *Securities Act* (Nova Scotia), and subclause 77(1)(f)(iii) of the *Securities Act* (Nova Scotia) if the right to purchase, convert or exchange was previously acquired under one of the above listed exemptions under the *Securities Act* (Nova Scotia)

Paragraphs 3(a), (b), (c), (k), (l), (m), (r), (s), (t), (u), (w) and (z), and clause 3(e)(iii) of Blanket Order No.1 of the Registrar of Securities (Nunavut)

Clauses 72(1)(a), (b), (c), (d), (l), (m), (p) and (q) of the *Securities Act* (Ontario) and subclause 72(1)(f)(iii) of the *Securities Act* (Ontario) if the right to purchase, convert or exchange was previously acquired under one of the above-listed exemptions under the *Securities Act* (Ontario)

Clauses 81(1)(a), (b), (c), (d), (m), (n), (s), (t), (v), (w), (z), (bb) and (ee) of *The Securities Act, 1988* (Saskatchewan)

Subclauses 81(1)(f)(iii) and (iv) of *The Securities Act, 1988* (Saskatchewan) if the convertible security, exchangeable security or multiple convertible security was acquired under one of the exemptions of *The Securities Act, 1988* (Saskatchewan) referred to in this Appendix

Clause 81(1)(e) of *The Securities Act, 1988* (Saskatchewan) if the person or company from whom the securities were acquired obtained the securities under one of the exemptions of *The Securities Act, 1988* (Saskatchewan) referred to in this Appendix

**“APPENDIX E
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES**

**“SEASONING PERIOD TRADES
(Section 2.4)**

Sections 107(1)(f) if not included in Appendix D of this Instrument, (i), (j), (j.1), (k), (k.1) prior to its repeal by section 5 of the *Securities Amendment Act, 1989* (Alberta), and (n) of the *Securities Act* (Alberta)

Sections 74(2)(7) to (11), (13), (22) and (24) of the *Securities Act* (British Columbia)

Section 128(g) of the *Securities Rules* (British Columbia)

Section 74(2)(12) of the *Securities Act* (British Columbia), if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under any of the sections of the *Securities Act* (British Columbia) or the *Securities Rules* (British Columbia) referred to in this Appendix

Clauses 73(1)(f) if not included in Appendix D of this Instrument, (i), (j), (k) and (n) of the *Securities Act* (Newfoundland)

Clauses 3(e)(i) and (ii) and paragraphs 3(f), (g), (h), (i), (n), (x), (y) and (mm) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories)

Clause 77(1)(f) of the *Securities Act* (Nova Scotia) if not included in Appendix D of this Instrument, and clauses 77(1)(h), (i), (j), (k), (n), (v), (va), (ac), (ae) and (af) of the *Securities Act* (Nova Scotia), and clause 78(1)(a) of the *Securities Act* (Nova Scotia) as it relates to clause 41(2)(j) of the *Securities Act* (Nova Scotia) and Blanket Order No. 5A

Clauses 3(e)(i) and (ii) and paragraphs 3(f), (g), (h), (i), (n), (x), (y) and (mm) of Blanket Order No. 1 of the Registrar of Securities (Nunavut)

Clauses 72(1)(f), (i), (j), (k) and (n) of the *Securities Act* (Ontario), except for a trade made under subclause 72(1)(f)(iii) of the *Securities Act* (Ontario) that is:

- (i) included in Appendix D of this Instrument;
- (ii) to an associated consultant or investor consultant as defined in Ontario Securities Commission Rule 45-503 Trades to Employees, Executives and Consultants; or
- (iii) contemplated by section 6.5 of Ontario Securities Commission Rule 45-501 Exempt Distributions

Clauses 81(1)(a.1), (e) if not included in Appendix D of this Instrument, (f) if not included in Appendix D of this Instrument, (f.1), (g), (h), (i), (i.1), (j), (k), (o), (cc) and (dd) of *The Securities Act, 1988* (Saskatchewan)

**“APPENDIX F
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES**

**“EMPLOYEE TRADES
(Section 2.6)**

Sections 107(1)(f)(iii) (if the convertible security was distributed under section 107(1)(n)) and (n) of the *Securities Act* (Alberta)

Sections 74(2)(9) and 74(2)(11)(iii) (if the convertible security was distributed under section 74(2)(9) of the *Securities Act* (British Columbia) or under British Columbia Instrument 45-507 Trades to Employees, Executives and Consultants (other than to an associated consultant or investor consultant)) of the *Securities Act* (British Columbia)

Sections 73(1)(f)(iii) (if the convertible security was distributed under section 73(1)(n)) and (n) of the *Securities Act* (Newfoundland)

Paragraphs 3(e) (if the convertible security was distributed under paragraph 3(n)) and (n) of Blanket Order No. 1 of the Registrar of Securities (Northwest Territories)

Subclause 77(1)(f)(iii) (if the convertible security was distributed under clause 77(1)(n)) and clause 77(1)(n) of the *Securities Act* (Nova Scotia) and Blanket Order No. 5A

Paragraphs 3(e) (if the convertible security was distributed under paragraph 3(n)) and (n) of Blanket Order No. 1 of the Registrar of Securities (Nunavut)

Subclause 72(1)(f)(iii) (if the convertible security was distributed under clause 72(1)(n) of the *Securities Act* (Ontario) or under Ontario Securities Commission Rule 45-503 Trades to Employees, Executives and Consultants (other than to an associated consultant or investor consultant)) and clause 72(1)(n) of the *Securities Act* (Ontario)

Subclause 81(1)(f)(iii) (if the convertible security was distributed under clause 81(1)(o)) and clause 81(1)(o) of *The Securities Act*, 1988 (Saskatchewan)

**“APPENDIX G
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES**

**“AMALGAMATIONS OR MERGERS
(Section 2.9)**

Section 107(1)(i) of the *Securities Act* (Alberta)

Section 74(2)(8) of the *Securities Act* (British Columbia)

Clause 58(1)(b) of the *Securities Act* (Manitoba)

Clause 73(1)(i) of the *Securities Act* (Newfoundland)

Paragraph 3(g) of Blanket Order No.1 of the Registrar of Securities (Northwest Territories)

Clause 77(1)(i) of the *Securities Act* (Nova Scotia)

Paragraph 3(g) of Blanket Order No. 1 of the Registrar of Securities (Nunavut)

Clause 72(1)(i) of the *Securities Act* (Ontario) and section 2.8 of Rule 45-501 Exempt Distributions

Clause 2(3)(k) of the *Securities Act* (Prince Edward Island)

Clause 81(1)(i) of *The Securities Act, 1988* (Saskatchewan)

**“APPENDIX H
TO
“MULTILATERAL INSTRUMENT 45-102
“RESALE OF SECURITIES
“UNDERWRITERS
(Section 2.13)**

Section 107(1)(u.1) of the *Securities Act* (Alberta)

Section 74(2)(15) of the *Securities Act* (British Columbia)

Clause 73(1)(r) of the *Securities Act* (Newfoundland)

Paragraph 3(v) of Blanket Order No.1 of the Registrar of Securities (Northwest Territories)

Clause 77(1)(r) of the *Securities Act* (Nova Scotia)

Paragraph 3(v) of Blanket Order No. 1 of the Registrar of Securities (Nunavut)

Clause 72(1)(r) of the *Securities Act* (Ontario)

Clause 81(1)(u) of *The Securities Act, 1988* (Saskatchewan)

“FORM 45-102F1

**Report Made under Subsection 2.7(1) of Multilateral Instrument 45-102 Resale
of Securities with respect to an Issuer that has Ceased to be a Private
Company or Private Issuer**

1. Name and address of the issuer that has ceased to be a private company or private issuer.
2. Date when the issuer ceased to be a private company or private issuer.
3. Jurisdiction of incorporation, organization or continuation of the issuer.
4. List, as of the time immediately before the issuer ceased to be a private company or private issuer, the number or amount and designation of the authorized and outstanding securities of each class of securities of the issuer.

5. Particulars of the outstanding securities:

Name of Owner of Securities and Municipality and Jurisdiction of Residence	Number or Amount	Designation of Securities
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If, after reasonable effort, it was not possible to identify the beneficial owner, explain why and disclose the registered owner.

6. The issuer has prepared, certified and delivered to the securities regulatory authority a statement containing the full legal name of, the full residential address of, and the number or amount and designation of securities of the issuer held by, each person or company who was a beneficial owner of securities of the issuer immediately before the issuer ceased to be a private company or private issuer and, if, after reasonable effort, it was not possible to identify the beneficial owner at the time the statement was delivered, has explained why.

(Make certain the totals as to beneficial and as to registered owners given in this item reconcile, in each case, with the totals given in items 4 and 5.)

7. The undersigned certifies that the information given in this report is true and complete in every respect.

Date _____

(name of issuer that has ceased to be a private company or private issuer)

By: _____
(signature)

(official capacity)

(name of individual whose signature appears above)

INSTRUCTION:

If the issuer ceases to be a private company or private issuer on or after the effective date of Multilateral Instrument 45-102, file this form with the securities regulatory authority in each jurisdiction in which the issuer has ceased to be a private company or private issuer and section 2.7 of Multilateral Instrument 45-102 has been implemented. Section 2.7 has been implemented in Alberta, British Columbia, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Ontario and Saskatchewan.

Notice - Collection and Use of Personal Information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities set out below for the purposes of the administration and enforcement of the securities legislation in Alberta, British Columbia, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Ontario and Saskatchewan. All of the information required under this form, except for the information contained in the statement required under item 6, is made available to the public pursuant to Multilateral Instrument 45-102 and the securities legislation in each of the jurisdictions indicated above. If you have any questions about the collection and use of this information, contact the securities regulatory authorities in the jurisdiction(s) in which the form is filed, at the address(es) set out below.

Alberta Securities Commission

4th Floor, 300 - 4th Avenue SW

Calgary, AB T2P 3C4

Attention: Information Officer

Telephone: (403) 297-6454

Facsimile: (403) 297-6156

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, B.C. V7Y 1L2
Attention: Manager, Financial and Insider Reporting
Telephone: (604) 899-6730 or (800) 373-6393 (in B.C.)
Facsimile: (604) 899-6506

Securities Commission of Newfoundland

P.O. Box 8700
2nd Floor, West Block
Confederation Building
75 O'Leary Avenue
St. John's NFLD A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Department of Justice, Northwest Territories**Legal Registries**

P.O. Box 1320
1st Floor, 5009-49th Street
Yellowknife, NWT X1A 2L9
Attention: Director, Legal Registries
Telephone: (867) 873-7490
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, NS B3J 3J9
Attention: Corporate Finance
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

Department of Justice, Nunavut**Legal Registries Division**

P.O. Box 1000 - Station 570
1st Floor, Brown Building
Iqaluit, NT X0A 0H0
Attention: Director, Legal Registries Division
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

Ontario Securities Commission

Suite 1903, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Attention: Administrative Assistant to the Director of Corporate Finance
Telephone: (416) 593-8200
Facsimile: (416) 593-8177

Saskatchewan Securities Commission

800 - 1920 Broad Street

Regina, SK S4P 3V7

Attention: Deputy Director, Legal

Telephone: (306) 787-5879

Facsimile: (306) 787-5899

“FORM 45-102F2**“Certificate under Subsection 2.7(2) or (3) of
Multilateral Instrument 45-102 Resale of Securities**

Complete 1. or 2.

1. *[Name of Issuer or Selling Security Holder]* has distributed securities under a provision listed in Appendix D or E to Multilateral Instrument 45-102 or a provision of securities legislation that specifies that the first trade of the securities is subject to section 2.5 or 2.6 of Multilateral Instrument 45-102 and hereby certifies that in respect of a distribution on *[date]* of *[amount or number and type of securities]* of *[Name of Issuer]*, *[Name of Issuer]* was a qualifying issuer within the meaning of Multilateral Instrument 45-102 Resale of Securities at the distribution date.
2. *[Name of Issuer]* has distributed securities under a provision listed in Appendix F to Multilateral Instrument 45-102 or a provision of securities legislation that specifies that the first trade of securities distributed to an employee, executive, consultant or administrator is subject to section 2.6 of Multilateral Instrument 45-102 and hereby certifies that in respect of a distribution on *[date]* of *[amount or number and type of securities]* of *[Name of Issuer]*, *[Name of Issuer]* became after the distribution date by filing a prospectus in a jurisdiction listed in Appendix B to Multilateral Instrument 45-102 and listing or quoting a class of its equity securities on a qualified market, and now is, a qualifying issuer within the meaning of Multilateral Instrument 45-102.

DATED at _____ this ____ day of _____, 2 ____ .

[Name of Issuer or Selling Security Holder]

By: _____

*[type name]**[title]***INSTRUCTIONS:**

1. If the distribution date is on or after the effective date of Multilateral Instrument 45-102 and the issuer or selling security holder has completed 1. above, file this form on or before the tenth day after the distribution date with the securities regulatory authority in each jurisdiction in which a purchaser of the securities is located and section 2.7 of Multilateral Instrument 45-102 has been implemented. Section 2.7 has been implemented in Alberta, British Columbia, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Ontario and Saskatchewan.
2. If the issuer has completed 2. above, file this form with the securities regulatory authority in each jurisdiction in which a purchaser of the securities is located and section 2.7 of Multilateral Instrument 45-102 has been implemented.

“FORM 45-102F3**“Notice of Intention to Distribute Securities and Accompanying
Declaration under Section 2.8 of Multilateral Instrument 45-102 Resale of
Securities**

1. Name and address of reporting issuer:
2. Date and jurisdictions where issuer became a reporting issuer:

Date	Jurisdiction
.....
.....
3. Name and address of the selling security holder:
4. State whether the selling security holder is an insider or officer of the issuer. (if an officer state title).
5. Amount or number and designation of securities of the issuer beneficially owned, directly or indirectly, by the selling security holder.
6. Amount or number and designation of securities of the issuer proposed to be sold by the selling security holder.
7. State, to the extent known to the selling security holder, the following particulars about the control position of the issuer: name(s), securities of the issuer held, offices or positions with the issuer or selling security holder and any other material particular regarding such control position.
8. State whether the securities will be distributed privately or on an exchange or a market (state name of exchange or market).
9. Proposed date of sale or date of commencement of sale.
10. If the selling security holder is a lender, pledgee, mortgagee or other encumbrancer selling securities distributed under an exemption in securities legislation from the prospectus requirement for a trade to a lender, pledgee, mortgagee or other encumbrancer from the holdings of a control person for the purpose of giving collateral for a debt made in good faith, state the date and amount of the loan, pledge, mortgage or other encumbrance, reasons for liquidating the debt and the circumstances of default.
11. State the date that the selling security holder or lender, pledgee, mortgagee or other encumbrancer acquired the securities.
12. If this Form is not an initial filing, provide the following information:
 - (a) date of filing of the initial Form 45-102F3;
 - (b) date of the most recently filed renewal Form 45-102F3;
 - (c) number of securities proposed to be sold as stated in the initial Form 45-102F3;

- (d) number of securities sold from the date of the initial Form 45-102F3 to the date of this renewal Form 45-102F3;
- (e) number of securities proposed to be sold, as stated in the initial Form 45-102F3, that are no longer for sale;
- (f) number of securities remaining for sale;

Declaration, Certificate and Undertaking

The selling security holder for whose account the securities are to be sold, and to which this certificate relates, hereby:

- (1) declares that the selling security holder has no knowledge of a material fact or material change with respect to the issuer of the securities that has not been generally disclosed;
- (2) declares that to the best of the selling security holder's information and belief:
 - (a) no unusual effort has been made to prepare the market or to create a demand for the securities to be sold and no extraordinary commission or other consideration has been paid in respect of such trade;
 - (b) the transaction to which this notice of intention and declaration relate is an arm's length transaction made in good faith; and
 - (c) the securities have been held for the period of time required under section 2.8 of Multilateral Instrument 45-102 Resale of Securities and the other conditions of the applicable subsection of that section have been met;
- (3) undertakes that no unusual effort will be made to prepare the market or to create a demand for the securities to be sold and no extraordinary commission or other consideration will be paid in respect of such trade;
- (4) undertakes that this Form will be renewed and filed on the 60th day after the date of filing this Form and thereafter at the end of each 28 day period; and
- (5) certifies that the information given in the answers to the questions in this Form are true.

Date _____

(name of selling security holder)

By: _____
(signature of selling security holder, and if a company, signature of authorised signatory)

(name and office of authorized signatory)

INSTRUCTION:

File this form with the securities regulatory authority in each jurisdiction in which the securities are being distributed and with the exchange in Canada on which the securities that are the subject of the distribution are listed.

Notice - Collection and Use of Personal Information

The personal information required under this form is collected on behalf of and used by the securities regulatory authorities set out below for the purposes of the administration and enforcement of the securities legislation in Alberta, British Columbia, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Ontario and Saskatchewan. All of the information required under this form is made available to the public pursuant to Multilateral Instrument 45-102 and the securities legislation in each of the jurisdictions indicated above. If you have any questions about the collection and use of this information, contact the securities regulatory authorities in the jurisdiction(s) in which the form is filed, at the address(es) set out below.

Alberta Securities Commission

4th Floor, 300 - 4th Avenue SW
Calgary, AB T2P 3C4
Attention: Information Officer
Telephone: (403) 297-6454
Facsimile: (403) 297-6156

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, B.C. V7Y 1L2
Attention: Manager, Financial and Insider Reporting
Telephone: (604) 899-6730 or (800) 373-6393 (in B.C.)
Facsimile: (604) 899-6506

Securities Commission of Newfoundland

P.O. Box 8700
2nd Floor, West Block
Confederation Building
75 O'Leary Avenue
St. John's NFLD A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187

Department of Justice, Northwest Territories**Legal Registries**

P.O. Box 1320
1st Floor, 5009-49th Street
Yellowknife, NWT X1A 2L9
Attention: Director, Legal Registries
Telephone: (867) 873-7490
Facsimile: (867) 873-0243

Nova Scotia Securities Commission

2nd Floor, Joseph Howe Building
1690 Hollis Street
Halifax, NS B3J 3J9
Attention: Corporate Finance
Telephone: (902) 424-7768
Facsimile: (902) 424-4625

**Department of Justice, Nunavut
Legal Registries Division**

P.O. Box 1000 - Station 570
1st Floor, Brown Building
Iqaluit, NT X0A 0H0
Attention: Director, Legal Registries Division
Telephone: (867) 975-6190
Facsimile: (867) 975-6194

Ontario Securities Commission

Suite 1903, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Attention: Administrative Assistant to the Director of Corporate Finance
Telephone: (416) 593-8200
Facsimile: (416) 593-8177

Saskatchewan Securities Commission

800 - 1920 Broad Street
Regina, SK S4P 3V7
Attention: Deputy Director, Legal
Telephone: (306) 787-5879
Facsimile: (306) 787-5899

(2) The following Parts are added after Part XXI of the Appendix:**“PART XXII**

(Clause 2(v))

“NATIONAL INSTRUMENT 21-101**“MARKETPLACE OPERATION****“PART 1 DEFINITIONS AND INTERPRETATION****“1.1 Definitions – In this Instrument:**

‘alternative trading system’ means a marketplace that:

- (a) is not a recognized quotation and trade reporting system or a recognized exchange; and
- (b) does not:
 - (i) require an issuer to enter into an agreement to have its securities traded on the marketplace;
 - (ii) provide, directly, or through one or more subscribers, a guarantee of a two-sided market for a security on a continuous or reasonably continuous basis

(iii) set requirements governing the conduct of subscribers, other than conduct in respect of the trading by those subscribers on the marketplace; and

(iv) discipline subscribers other than by exclusion from participation in the marketplace;

'ATS' means an alternative trading system;

'corporate debt security' means a debt security issued in Canada by a company or corporation that is not listed on a recognized exchange or quoted on a recognized quotation and trade reporting system or listed on an exchange or quoted on a quotation and trade reporting system that has been recognized for the purposes of this Instrument and NI 23-101, and does not include a government debt security;

'exchange-traded security' means a security that is listed on a recognized exchange or is quoted on a recognized quotation and trade reporting system or is listed on an exchange or quoted on a quotation and trade reporting system that is recognized for the purposes of this Instrument and NI 23-101;

'foreign exchange-traded security' means a security that is listed only on an exchange, or quoted only on a quotation and trade reporting system, outside of Canada that is regulated by an ordinary member of the International Organization of Securities Commissions;

'government debt security' means:

- (a) a debt security issued or guaranteed by the government of Canada, or any province or territory of Canada, the government of any foreign country or any political division thereof;
- (b) a debt security of any municipal corporation in Canada; or
- (c) a debt security of a crown corporation;

that is not listed on a recognized exchange or quoted on a recognized quotation and trade reporting system or listed on an exchange or quoted on a quotation and trade reporting system that has been recognized for the purposes of this Instrument and NI 23-101;

'IDA' means the Investment Dealers Association of Canada;

'information processor' means any person or company that receives and provides information under this Instrument and has filed Form 21-101F5;

'inter-dealer bond broker' means a person or company that is approved by the IDA under IDA By-Law No. 36 Inter-Dealer Bond Brokerage Systems, as amended, and is subject to IDA By-law No. 36 and IDA Regulation 2100 Inter-Dealer Bond Brokerage Systems, as amended;

'market integrator' means a person or company that facilitates access to orders in accordance with Part 9 of this Instrument;

'marketplace' means:

- (a) an exchange;
- (b) a quotation and trade reporting system;
- (c) a person or company not included in paragraph (a) or (b) that:
 - (i) constitutes, maintains or provides a market or facility for bringing together buyers and sellers of securities;
 - (ii) brings together the orders for securities of multiple buyers and sellers; and
 - (iii) uses established, non-discretionary methods under which the orders interact with each other, and the buyers and sellers entering the orders agree to the terms of a trade; or
- (d) a dealer that executes a trade of an exchange-traded security outside of a marketplace;

but does not include an inter-dealer bond broker;

'marketplace participant' means a member of an exchange, a user of a quotation and trade reporting system, or a subscriber of an ATS;

'member' means, for a recognized exchange;

- (a) a person or company holding at least one seat on the exchange; or
- (b) a registrant that has been granted direct trading access rights by the exchange and is subject to regulatory oversight by the exchange;

'NI 23-101' means National Instrument 23-101 Trading Rules;

'order' means a firm indication by a person or company, acting as either principal or agent, of a willingness to buy or sell a security;

'recognized exchange' means:

- (a) in Ontario, an exchange recognized by the securities regulatory authority to carry on business as a stock exchange;
- (b) in Quebec, an exchange recognized by the securities regulatory authority as a self-regulatory organization; and
- (c) in every other jurisdiction, an exchange recognized by the securities regulatory authority as an exchange, self-regulatory organization or self-regulatory body;

'recognized quotation and trade reporting system' means:

- (a) in every jurisdiction other than British Columbia, a quotation and trade reporting system recognized by the securities regulatory authority under securities legislation to carry on business as a quotation and trade reporting system; and
- (b) in British Columbia, a quotation and trade reporting system recognized by the securities regulatory authority under securities legislation as a quotation and trade reporting system or as an exchange;

‘regulation services provider’ means a person or company that provides regulation services and is:

- (a) a recognized exchange;
- (b) a recognized quotation and trade reporting system; or
- (c) a recognized self-regulatory entity;

‘self-regulatory entity’ means a self-regulatory body or self-regulatory organization that:

- (a) is not an exchange; and
- (b) is recognized as a self-regulatory body or self-regulatory organization by the securities regulatory authority;

‘subscriber’ means, for an ATS, a person or company that has entered into a contractual agreement with the ATS to access the ATS for the purpose of effecting trades or submitting, disseminating or displaying orders on the ATS;

‘trading volume’ means the number of securities traded;

‘transaction fee’ means the fee that a marketplace charges for execution of a trade on that marketplace;

‘unlisted debt security’ means a government debt security or corporate debt security;

‘user’ means, for a recognized quotation and trade reporting system, a person or company that quotes orders or reports trades on the recognized quotation and trade reporting system.

“1.2 Interpretation – Marketplace

For the purpose of the definition of marketplace in section 1.1, a person or company is not considered to constitute, maintain or provide a market or facilities for bringing together buyers and sellers of securities, solely because the person or company routes orders to a marketplace or a dealer for execution.

“1.3 Interpretation – Affiliated Entity, Controlled Entity and Subsidiary Entity

(1) In this Instrument, a person or company is considered to be an affiliated entity of another person or company if one is a subsidiary entity of the other or if both are subsidiary entities of the same person or company, or if each of them is a controlled entity of the same person or company.

(2) In this Instrument, a person or company is considered to be controlled by a person or company if:

- (a) in the case of a person or company;
 - (i) voting securities of the first-mentioned person or company carrying more than 50 percent of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of the other person or company; and
 - (ii) the votes carried by the securities are entitled, if exercised, to elect a majority of the directors of the first-mentioned person or company;

- (b) in the case of a partnership that does not have directors, other than a limited partnership, the second-mentioned person or company holds more than 50 percent of the interests in the partnership; or
 - (c) in the case of a limited partnership, the general partner is the second-mentioned person or company.
- (3) In this Instrument, a person or company is considered to be a subsidiary entity of another person or company if:
- (a) it is a controlled entity of:
 - (i) that other;
 - (ii) that other and one or more persons or companies each of which is a controlled entity of that other; or
 - (iii) two or more persons or companies, each of which is a controlled entity of that other; or
 - (b) it is a subsidiary entity of a person or company that is the other's subsidiary entity.

“1.4 Interpretation – Security

- (1) In Alberta and British Columbia, the term ‘security’, when used in this Instrument, includes an option that is an exchange contract but does not include a futures contract.
- (2) In Ontario, the term ‘security’, when used in this Instrument, does not include a commodity futures contract or a commodity futures option that is not traded on a commodity futures exchange registered with or recognized by the Commission under the Commodity Futures Act or the form of which is not accepted by the Director under the Commodity Futures Act.

“PART 2 APPLICATION

- “2.1 Application** – This Instrument does not apply to a marketplace that is a member of a recognized exchange or a member of an exchange that has been recognized for the purposes of this Instrument and NI 23-101.

“PART 3 EXCHANGE – RECOGNITION

“3.1 Application for Recognition

- (1) An applicant for recognition as an exchange shall file Form 21-101F1.
- (2) An applicant for recognition as an exchange shall inform in writing the securities regulatory authority immediately of any change to the information provided in Form 21-101F1, and the applicant shall file an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1 no later than seven days after the change takes place.

“3.2 Change in Information After Recognition

- (1) At least 45 days before implementing a significant change to a matter set out in Form 21-101F1, a recognized exchange shall file:
- (a) if the exchange was recognized before this Instrument came into force, the information describing the change in the manner set out in Form 21-101F1; or

- (b) if the exchange is recognized after this Instrument comes into force, an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1.
- (2) If a recognized exchange implements a change involving a matter set out in Form 21-101F1, other than a change referred to in subsection (1), the recognized exchange shall, within 30 days after the end of the calendar quarter in which the change takes place, file:
 - (a) if the exchange was recognized before this Instrument came into force, the information describing the change in the manner set out in Form 21-101F1; or
 - (b) if the exchange is recognized after this Instrument comes into force, an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1.
- (3) Subsection (2) does not apply to a change to a matter set out in Exhibits F and O of Form 21-101F1.

“PART 4 QUOTATION AND REPORTING SYSTEM – RECOGNITION

“4.1 Application for Recognition

- (1) An applicant for recognition as a quotation and trade reporting system shall file Form 21-101F1.
- (2) An applicant for recognition as a quotation and trade reporting system shall inform in writing the securities regulatory authority immediately of any change to the information provided in Form 21-101F1 and the applicant shall file an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1 no later than seven days after the change takes place.

“4.2 Change in Information After Recognition

- (1) At least 45 days before implementing a significant change to a matter set out in Form 21-101F1, a recognized quotation and trade reporting system shall file an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1.
- (2) If a recognized quotation and trade reporting system implements a change involving a matter set out in Form 21-101F1, other than a change referred to in subsection (1), the recognized quotation and trade reporting system shall, within 30 days after the end of the calendar quarter in which the change takes place, file an amendment to the information provided in Form 21-101F1 in the manner set out in Form 21-101F1.

“PART 5 REQUIREMENTS APPLICABLE ONLY TO RECOGNIZED EXCHANGES AND RECOGNIZED QUOTATION AND TRADE REPORTING SYSTEMS

“5.1 Access Requirements – A recognized exchange and a recognized quotation and trade reporting system shall:

- (a) establish written standards for granting access to trading on it;
- (b) not unreasonably prohibit, condition or limit access by a person or company to services offered by it; and

- (c) keep records of:
 - (i) each grant of access including, for each member in the case of an exchange and for each user in the case of a quotation and trade reporting system, the reasons for granting access to an applicant; and
 - (ii) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

“5.2 No Restrictions on Trading on Another Marketplace – A recognized exchange or recognized quotation and trade reporting system shall not prohibit, condition, or otherwise limit, directly or indirectly, a member or user from effecting a transaction on any marketplace.

“5.3 Public Interest Rules

(1) Rules, policies and other similar instruments adopted by a recognized exchange or a recognized quotation and trade reporting system:

- (a) shall not be contrary to the public interest; and
- (b) shall be designed to:
 - (i) ensure compliance with securities legislation;
 - (ii) prevent fraudulent and manipulative acts and practices;
 - (iii) promote just and equitable principles of trade; and
 - (iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating, transactions in securities.

(2) A recognized exchange or a recognized quotation and trade reporting system shall not:

- (a) permit unreasonable discrimination among clients, issuers and members or among clients, issuers and users; or
- (b) impose any burden on competition that is not reasonably necessary and appropriate.

“5.4 Compliance Rules – A recognized exchange or a recognized quotation and trade reporting system shall have rules or other similar instruments that:

- (a) require compliance with securities legislation; and
- (b) provide appropriate sanctions for violations of the rules or other similar instruments of the exchange or quotation and trade reporting system.

“5.5 Filing of Rules – A recognized exchange or a recognized quotation and trade reporting system shall file all rules, policies and other similar instruments, and all amendments thereto.

“5.6 Filing of Annual Audited Financial Statements – A recognized exchange or a recognized quotation and trade reporting system shall file annual audited financial statements within 90 days after the end of its latest financial year.

“PART 6 REQUIREMENTS APPLICABLE ONLY TO ATSs**“6.1 Registration** – An ATS shall not carry on business as an ATS unless:

- (a) it is registered as a dealer;
- (b) it is a member of a self-regulatory entity; and
- (c) it complies with the provisions of this Instrument and NI 23-101.

“6.2 Registration Exemption Not Available – The registration exemptions listed in Appendix A are not available to an ATS.**“6.3 Securities Permitted to be Traded on an ATS** – An ATS shall not execute trades in securities other than:

- (a) exchange-traded securities;
- (b) corporate debt securities;
- (c) government debt securities; or
- (d) foreign exchange-traded securities.

“6.4 Reporting Requirements

(1) An ATS shall file an initial operation report on Form 21-101F2 at least 30 days before the ATS begins to carry on business as an ATS.

(2) At least 45 days before implementing a significant change to a matter set out in Form 21-101F2, an ATS shall file an amendment to the information provided in Form 21-101F2 in the manner set out in Form 21-101F2.

(3) If an ATS implements a change involving a matter set out in Form 21-101F2, other than a change referred to in subsection (2), the ATS shall, within 30 days after the end of the calendar quarter in which the change takes place, file an amendment to the information provided in Form 21-101F2 in the manner set out in Form 21-101F2.

(4) An ATS shall file Form 21-101F3 within 30 days after the end of each calendar quarter during any part of which the ATS has carried on business.

“6.5 Ceasing to Carry on Business as an ATS

(1) An ATS that intends to cease carrying on business as an ATS shall file a report on Form 21-101F4 at least 30 days before ceasing to carry on that business.

(2) An ATS that involuntarily ceases to carry on business as an ATS shall file a report on Form 21-101F4 as soon as practicable after it ceases to carry on that business.

“6.6 Notification of Intent to Carry on Exchange Activities – An ATS shall notify the securities regulatory authority in writing at least six months before it first:

- (a) requires an issuer to enter into an agreement before the issuer’s securities can trade on the ATS;
- (b) provides, directly, or through one or more subscribers, a guarantee of a two-sided market for a security on a continuous or reasonably continuous basis;

- (c) sets requirements governing the conduct of subscribers, other than conduct in respect of the trading by those subscribers on the ATS; or
- (d) establishes procedures for disciplining subscribers other than by exclusion from trading.

“6.7 Notification of Threshold

- (1) An ATS shall notify the securities regulatory authority in writing if:
 - (a) during at least three of the preceding four calendar quarters, the average daily dollar value of the trading volume on the ATS for a calendar quarter in any type of security is equal to or greater than 20 percent of the average daily dollar value of the trading volume for the calendar quarter in that type of security on all marketplaces in Canada;
 - (b) during at least three of the preceding four calendar quarters, the total trading volume on the ATS for a calendar quarter in any type of security is equal to or greater than 20 percent of the total trading volume for the calendar quarter in that type of security on all marketplaces in Canada; or
 - (c) during at least three of the preceding four calendar quarters, the number of trades on the ATS for a calendar quarter in any type of security is equal to or greater than 20 percent of the number of trades for the calendar quarter in that type of security on all marketplaces in Canada.
- (2) An ATS shall provide the notice referred to in subsection (1) within 90 days after the threshold in subsection (1) is met or exceeded.

“6.8 Confidential Treatment of Trading Information

- (1) An ATS shall not release a subscriber’s trading information to a person or company, other than the subscriber, unless:
 - (a) the subscriber has consented in writing to the release of the information;
 - (b) the release of the information is required by this Instrument or under applicable law; or
 - (c) the information has been publicly disclosed by another person or company, and the disclosure was lawful.
- (2) An ATS shall not carry on business as an ATS unless it has implemented reasonable safeguards and procedures to protect a subscriber’s trading information, including:
 - (a) limiting access to the trading information of subscribers to:
 - (i) employees of the ATS; or
 - (ii) persons or companies retained by the ATS to operate the system or to be responsible for compliance by the ATS with Canadian securities legislation; and
 - (b) implementing standards controlling trading by employees of the ATS for their own accounts.

(3) An ATS shall not carry on business as an ATS unless it has implemented adequate oversight procedures to ensure that the safeguards and procedures established under subsection (2) are followed.

“6.9 Name – An ATS shall not use in its name the word ‘exchange’, the words ‘stock market’, the word ‘bourse’ or any derivations of those terms.

“6.10 Risk Disclosure for Trades in Foreign Exchange-Traded Securities

(1) When opening an account for a subscriber, an ATS that is trading foreign exchange-traded securities shall provide that subscriber with disclosure in substantially the following words:

The securities traded by or through [the ATS] are not listed on an exchange in Canada and may not be securities of a reporting issuer in Canada. As a result, there is no assurance that information concerning the issuer is available or, if the information is available, that it meets Canadian disclosure requirements.

(2) Before the first order for a foreign exchange-traded security is entered onto the ATS by a subscriber, the ATS shall obtain an acknowledgement from the subscriber that the subscriber has received the disclosure required in subsection (1).

“6.11 Risk Disclosure to Non-Registered Subscribers

(1) When opening an account for a subscriber that is not registered as a dealer under securities legislation, an ATS shall provide that subscriber with disclosure in substantially the following words:

Although the ATS is registered as a dealer under securities legislation, it is a marketplace and therefore does not ensure best execution for its subscribers.

(2) Before the first order submitted by a subscriber that is not registered as a dealer under securities legislation is entered onto the ATS by the subscriber, the ATS shall obtain an acknowledgement from that subscriber that the subscriber has received the disclosure required in subsection (1).

“PART 7 INFORMATION TRANSPARENCY REQUIREMENTS FOR MARKETPLACES DEALING IN EXCHANGE-TRADED SECURITIES AND FOREIGN EXCHANGE-TRADED SECURITIES

“7.1 Pre-trade Information Transparency – Exchange-Traded Securities and Foreign Exchange-Traded Securities

(1) A marketplace that displays orders of exchange-traded securities or foreign exchange-traded securities to a person or company shall provide to an information processor accurate and timely information regarding orders for the exchange-traded securities and orders for the foreign exchange-traded securities displayed on the marketplace as required by the information processor.

(2) Subsection (1) does not apply if the marketplace only displays orders to its employees or persons or companies retained by the marketplace to assist in the operation of the marketplace.

“7.2 Post-trade Information Transparency – Exchange-Traded Securities and Foreign Exchange-Traded Securities – A marketplace shall provide to an information processor accurate and timely information regarding details of all trades of exchange-traded securities and foreign exchange-traded securities executed on the marketplace as required by the information processor.

“7.3 Consolidated Feed – Exchange-Traded Securities and Foreign Exchange-Traded Securities – An information processor shall produce a consolidated feed in real-time showing the information provided to the information processor under subsection 7.1(1) and section 7.2.

“7.4 Compliance with Requirements of an Information Processor – A marketplace that is subject to this Part shall comply with the reasonable requirements of the information processor to which it is required to provide information under this Part.

“7.5 Exemption from Information Transparency Requirements for Marketplaces Trading Exchange-Traded Securities and Foreign Exchange-Traded Securities

(1) Sections 7.1, 7.2 and 7.4 do not apply to a marketplace if the marketplace provides order and trade information to an information vendor.

(2) Subsection (1) does not apply after December 31, 2003.

“PART 8 INFORMATION TRANSPARENCY REQUIREMENTS FOR MARKETPLACES DEALING IN UNLISTED DEBT SECURITIES, INTER-DEALER BOND BROKERS AND DEALERS

“8.1 Pre-trade Information Transparency – Unlisted Debt Securities Traded on a Marketplace

(1) A marketplace that displays orders of unlisted debt securities to a person or company shall provide to an information processor accurate and timely information regarding orders for the unlisted debt securities displayed on the marketplace as required by the information processor.

(2) Subsection (1) does not apply if the marketplace only displays orders to its own employees or persons or companies retained by the marketplace to assist in its operations.

“8.2 Post-trade Information Transparency – Unlisted Debt Securities Traded on a Marketplace – A marketplace shall provide to an information processor accurate and timely information regarding details of all trades of unlisted debt securities executed on the marketplace as required by the information processor.

“8.3 Pre-trade Information Transparency – Government Debt Securities Traded Through an Inter-Dealer Bond Broker – An inter-dealer bond broker shall provide to an information processor accurate and timely information regarding orders for government debt securities traded through the inter-dealer bond broker as required by the information processor.

“8.4 Post-trade Information Transparency – Unlisted Debt Securities Traded Through an Inter-Dealer Bond Broker – An inter-dealer bond broker shall provide to an information processor accurate and timely information regarding details of trades of unlisted debt securities executed through the inter-dealer bond broker as required by the information processor.

“8.5 Post-trade Information Transparency – Corporate Debt Securities Traded By or Through a Dealer – A dealer executing trades of corporate debt securities outside of a marketplace shall provide to an information processor accurate and timely information regarding details of trades of corporate debt securities traded by or through the dealer as required by the information processor.

“8.6 Consolidated Feed – Unlisted Debt Securities - An information processor shall produce a consolidated feed in real-time showing the information provided to the information processor under sections 8.1, 8.2, 8.3, 8.4 and 8.5.

“8.7 Compliance with Requirements of an Information Processor – A marketplace, inter-dealer bond broker or dealer that is subject to this Part shall comply with the reasonable requirements of the information processor to which it is required to provide information under this Part.

“PART 9 MARKET INTEGRATION FUNCTION FOR MARKETPLACES

“9.1 Definitions - In this Part:

‘previous principal market’ means the marketplace that was the principal market for the preceding calendar year;

‘principal market’ means, for a security, the marketplace most recently identified as the principal market for the security in:

- (a) a notice of the securities regulatory authority; or
- (b) a publication of an information processor made under paragraph 9.3(1)(c).

“9.2 Market Integration

(1) Before January 1, 2004, a marketplace that is subject to subsection 7.1(1) or subsection 8.1(1) shall not execute a trade of a security unless it has an electronic connection to the principal market for that security.

(2) On and after January 1, 2004, before executing a trade on its system, a marketplace that is subject to subsection 7.1(1) or subsection 8.1(1) shall:

- (a) if a market integrator exists:
 - (i) enter into an agreement with a market integrator to comply with the requirements of the market integrator to provide access to orders displayed through an information processor; and
 - (ii) comply with the requirements set by the market integrator; or
- (b) if no market integrator exists, establish and maintain an electronic connection to all other marketplaces trading the same securities.

“9.3 Determination of the Principal Market

(1) If, during a calendar year, an information processor receives information regarding a security traded on a marketplace, the information processor shall, within 30 days of the end of the calendar year;

- (a) determine the marketplace that had the largest trading volume for that security in that calendar year;
- (b) notify in writing each marketplace that trades that security of the name of the marketplace determined under paragraph (a); and
- (c) make the name of the marketplace determined to be the principal market under paragraph (a) publicly available.

- (2) Subsection 9.2(1) does not apply if:
 - (a) the principal market for the security is different from the previous principal market;
 - (b) the marketplace has an electronic connection to the previous principal market for the security; and
 - (c) the trade occurs within 30 days of the date the marketplace received written notification of the principal market from the information processor or the securities regulatory authority.
- (3) Subsections (1) and (2) do not apply after December 31, 2003.

“9.4 Requirements for Marketplaces

- (1) When receiving an order from another marketplace, the marketplace receiving the order shall apply its own rules to the execution of that order.
- (2) A marketplace shall provide to marketplace participants of any other marketplace access to the orders about which information is provided to an information processor that is equivalent to the access that the marketplace provides to its own marketplace participants.

“PART 10 DISCLOSURE OF TRANSACTION FEES FOR MARKETPLACES

“10.1 Disclosure of Transaction Fees for Marketplaces – If a marketplace charges a transaction fee to participants of another marketplace to execute a trade by accessing an order on that marketplace that is displayed through an information processor, the marketplace shall disclose a schedule of all transaction fees to the information processor.

“10.2 Exemption

- (1) Section 10.1 does not apply to a marketplace with respect to trades in exchange-traded securities and foreign exchange-traded securities if the marketplace makes the schedule of all transaction fees publicly available.
- (2) Subsection (1) does not apply after December 31, 2003.

“PART 11 RECORD KEEPING REQUIREMENTS FOR MARKETPLACES

“11.1 Business Records – A marketplace shall keep such books, records and other documents as are reasonably necessary for the proper recording of its business.

“11.2 Other Records

- (1) In addition to the records required to be maintained under section 11.1, a marketplace shall keep the following information:
 - (a) a record of all marketplace participants who have been granted access to trading in the marketplace;
 - (b) daily trading summaries for the marketplace, in electronic form, including:
 - (i) a list of securities traded;

- (ii) transaction volumes;
 - (A) for securities other than debt securities, expressed as the number of issues traded, number of trades, total unit volume and total dollar value of trades and, if the price of the securities traded is quoted in a currency other than Canadian dollars, the total value in that other currency; and
 - (B) for debt securities, expressed as the number of trades and total dollar value traded and, if the price of the securities traded is quoted in a currency other than Canadian dollars, the total value in that other currency;
- (c) a record of each order which shall include:
 - (i) the order identifier assigned to the order by the marketplace;
 - (ii) the marketplace participant identifier assigned to the marketplace participant transmitting the order;
 - (iii) the identifier assigned to the marketplace where the order is received or originated;
 - (iv) the type, issuer, class, series and symbol of the security;
 - (v) the number of securities to which the order applies;
 - (vi) the strike date and strike price, if applicable;
 - (vii) whether the order is a buy or sell order;
 - (viii) whether the order is a short sale order, if applicable;
 - (ix) whether the order is a market order, limit order or other type of order, and if the order is not a market order, the price at which the order is to trade;
 - (x) the date and time the order is first originated or received by the marketplace;
 - (xi) whether the account is a retail, wholesale, employee, proprietary or any other type of account;
 - (xii) the client account number or client identifier;
 - (xiii) the date and time the order expires;
 - (xiv) whether the order is an intentional cross;
 - (xv) whether the order is a jitney and if so, the identifier of the underlying broker;
 - (xvi) if the order is varied, corrected or cancelled, the date and time the order was varied, corrected or cancelled and whether the order was varied or cancelled on the instructions of the client or the dealer and if varied or corrected, any of the information in this subsection that has been varied or corrected;

- (xvii) the currency of the order; and
 - (xviii) any client instructions or consents respecting the handling or trading of the order;
- (d) in addition to the record maintained in accordance with paragraph (c), all execution report details of orders, including:
- (i) the identifier assigned to the marketplace where the order was executed;
 - (ii) whether the order was fully or partially executed;
 - (iii) the number of securities bought or sold;
 - (iv) the date and time of the execution of the order;
 - (v) the price at which the order was executed;
 - (vi) the identifier assigned to the marketplace participant on each side of the trade;
 - (vii) whether the transaction was a cross;
 - (viii) time-sequenced records of all messages sent to or received from an information processor, the market integrator or any other marketplace; and
 - (ix) the marketplace transaction fee for each trade.

(2) An ATS, a recognized exchange, or a recognized quotation and trade reporting system, that has entered into an agreement with a regulation services provider in accordance with NI 23-101 shall transmit in electronic form to a regulation services provider information required by the regulation services provider in the format and at the time required by the regulation services provider.

“11.3 Record Preservation Requirements

- (1) For a period of not less than seven years from the creation of a record referred to in this section, and for the first two years in a readily accessible location, a marketplace shall keep:
- (a) all records required to be made under sections 11.1 and 11.2;
 - (b) at least one copy of its standards for granting access to trading, if any, all records relevant to its decision to grant, deny or limit access to a person or company and, if applicable, all other records made or received by the marketplace in the course of complying with section 5.1;
 - (c) at least one copy of all records made or received by the marketplace in the course of complying with section 12.1, including all correspondence, memoranda, papers, books, notices, accounts, reports, test scripts, test results, and other similar records;

- (d) all written notices provided by the marketplace to marketplace participants generally, including notices addressing hours of system operations, system malfunctions, changes to system procedures, maintenance of hardware and software, instructions pertaining to access to the marketplace and denials of, or limitation to, access to the marketplace;
 - (e) the acknowledgement obtained under subsection 6.10(2) or 6.11(2);
 - (f) a copy of the agreement referred to in section 8.4 of NI 23-101; and
 - (g) a copy of any agreement referred to in subsections 13.1(2) and 13.1(3).
- (2) During the period in which a marketplace is in existence, the marketplace shall keep:
- (a) all organizational documents, minute books and stock certificate books;
 - (b) in the case of a recognized exchange, copies of all forms filed under Part 3;
 - (c) in the case of a recognized quotation and trade reporting system, copies of all forms filed under Part 4; and
 - (d) in the case of an ATS, copies of all forms filed under sections 6.4 and 6.5 and notices given under sections 6.6 and 6.7.

“11.4 Means of Record Preservation – A marketplace may keep all records, documents and forms referred to in this Part by means of mechanical, electronic or other devices, if:

- (a) such method of record keeping is not prohibited under other applicable law;
- (b) the marketplace takes reasonable precautions, appropriate to the means used, to govern against the risk of falsification of the information recorded; and
- (c) the marketplace provides a means for making the information available in an accurate and intelligible form, capable of being printed, within a reasonable time to any person or company lawfully entitled to examine the records.

“11.5 Synchronization of Clocks

(1) A marketplace trading exchange-traded securities or foreign exchange-traded securities, an information processor receiving information about those securities, a dealer trading those securities and a regulation services provider monitoring the activities of marketplaces trading those securities shall synchronize the clocks used for recording or monitoring the time and date of any event that must be recorded under this Part and under NI 23-101.

(2) A marketplace trading corporate debt securities or government debt securities, an information processor receiving information about those securities, a dealer trading those securities, an inter-dealer bond broker trading those securities and a regulation services provider monitoring the activities of marketplaces, inter-dealer bond brokers or dealers trading those securities shall synchronize the clocks used for recording or monitoring the time and date of any event that must be recorded under this Part and under NI 23-101.

“PART 12 CAPACITY, INTEGRITY AND SECURITY OF MARKETPLACE SYSTEMS

“12.1 System Requirements – Subject to section 12.2, a marketplace shall, for each of its systems that support order entry, order routing, execution, trade reporting and trade comparison:

- (a) on a reasonably frequent basis, and in any event, at least annually:
 - (i) make reasonable current and future capacity estimates;
 - (ii) conduct capacity stress tests of critical systems to determine the ability of those systems to process transactions in an accurate, timely and efficient manner;
 - (iii) develop and implement reasonable procedures to review and keep current the development and testing methodology of those systems;
 - (iv) review the vulnerability of those systems and data centre computer operations to internal and external threats, including physical hazards and natural disasters; and
 - (v) establish reasonable contingency and business continuity plans;
- (b) annually, cause to be performed an independent review and prepare a report, in accordance with established audit procedures and standards, of its controls for ensuring that it is in compliance with paragraph (a), and conduct a review by senior management of the report containing the recommendations and conclusions of the independent review; and
- (c) promptly notify the securities regulatory authority of any material systems failures.

“12.2 Application – Paragraphs 12.1(b) and 12.1(c) do not apply to an ATS unless, during at least three of the preceding four calendar quarters, the total trading volume on the ATS for a calendar quarter in any type of security is equal to or greater than 20 percent of the total trading volume for the calendar quarter in that type of security on all marketplaces in Canada.

“PART 13 CLEARING AND SETTLEMENT**“13.1 Clearing and Settlement**

- (1) All trades executed through an ATS shall be reported and settled through a clearing agency.
- (2) For a trade executed through an ATS by a subscriber that is registered as a dealer under securities legislation, the ATS and its subscriber shall enter into an agreement that specifies whether the trade shall be reported and settled by:
 - (a) the ATS;
 - (b) the subscriber; or
 - (c) an agent for the subscriber that is a clearing member of a clearing agency.

(3) For a trade executed through an ATS by a subscriber that is not registered as a dealer under securities legislation, an ATS and its subscriber shall enter into an agreement that specifies whether the trade shall be reported and settled by:

- (a) the ATS; or
- (b) an agent for the subscriber that is a clearing member of a clearing agency.

“PART 14 REQUIREMENTS FOR AN INFORMATION PROCESSOR

“14.1 Filing Requirements for an Information Processor

(1) A person or company that intends to carry on business as an information processor shall file Form 21-101F5 at least 90 days before the information processor begins to carry on business as an information processor.

(2) During the 90 day period referred to in subsection (1), a person or company that files Form 21-101F5 shall inform in writing the securities regulatory authority immediately of any change to the information provided in Form 21-101F5 and the person or company shall file an amendment to the information provided in Form 21-101F5 in the manner set out in Form 21-101F5 no later than seven days after a change takes place.

“14.2 Change in Information

(1) At least 45 days before implementing a significant change involving a matter set out in Form 21-101F5, an information processor shall file an amendment to the information provided in Form 21-101F5 in the manner set out in Form 21-101F5.

(2) If an information processor implements a change involving a matter set out in Form 21-101F5, other than a change referred to in subsection (1), the information processor shall, within 30 days after the end of the calendar quarter in which the change takes place, file an amendment to the information provided in Form 21-101F5 in the manner set out in Form 21-101F5.

“14.3 Ceasing to Carry on Business as an Information Processor

(1) If an information processor intends to cease carrying on business as an information processor, the information processor shall file a report on Form 21-101F6 at least 30 days before ceasing to carry on that business.

(2) If an information processor involuntarily ceases to carry on business as an information processor, the information processor shall file a report on Form 21-101F6 as soon as practicable after it ceases to carry on that business.

“14.4 Requirements Applicable to an Information Processor

(1) An information processor shall enter into an agreement with each marketplace, inter-dealer bond broker and dealer that is required to provide information to the information processor that the marketplace, inter-dealer bond broker or dealer will:

- (a) provide information to the information processor in accordance with Part 7 or 8, as applicable; and
- (b) comply with any other reasonable requirements set by the information processor.

- (2) An information processor shall provide timely, accurate, reliable and fair collection, processing, distribution and publication of information for orders for, and trades in, securities.
- (3) An information processor shall keep such books, records and other documents as are reasonably necessary for the proper recording of its business.
- (4) An information processor shall establish in a timely manner an electronic connection to a marketplace, inter-dealer bond broker or dealer that is required to provide information to the information processor.
- (5) An information processor shall provide prompt and accurate order and trade information and shall not unreasonably restrict fair access to such information.

“14.5 System Requirements – An information processor shall:

- (a) on a reasonably frequent basis, and in any event, at least annually:
 - (i) make reasonable current and future capacity estimates;
 - (ii) conduct capacity stress tests of critical systems to determine the ability of those systems to process information in an accurate, timely and efficient manner;
 - (iii) develop and implement reasonable procedures to review and keep current the development and testing methodology of those systems;
 - (iv) review the vulnerability of those systems and data centre computer operations to internal and external threats, including physical hazards and natural disasters; and
 - (v) establish reasonable contingency and business continuity plans;
- (b) annually, cause to be performed an independent review and prepare a report, in accordance with established audit procedures and standards, of its controls for ensuring that it is in compliance with paragraph (a), and conduct a review by senior management of the report containing the recommendations and conclusions of the independent review; and
- (c) promptly notify the securities regulatory authority of any material systems failures.

“PART 15 EXEMPTION

“15.1 Exemption

- (1) The regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

“PART 16 EFFECTIVE DATE

“16.1 Effective Date – This Instrument comes into force on December 1, 2001.

**APPENDIX A
TO
NATIONAL INSTRUMENT 21-101
MARKETPLACE OPERATION**

Alberta - section 65(1)(j) of the Securities Act, S.A. 1981, c. S-6.1.

British Columbia - section 45(2)(7) of the Securities Act, R.S.B.C. 1996, c. 418.

Saskatchewan - section 39(1)(j) of the Securities Act, S.S. 1988, c. S-42.2.

Manitoba - section 19(1)(g) of the Securities Act, R.S.M. 1988, c. S50.

Ontario - paragraph 35(1)10 of the Securities Act, R.S.O. 1990, c. S-5.

Quebec - no applicable provision.

Nova Scotia - section 41(1)(j) of the Securities Act, R.S.N.S. 1989, c. 418.

Newfoundland - section 36(1)(j) of the Securities Act, R.S.N. 1990, c. S-13.

New Brunswick - no applicable provision.

Prince Edward Island - section 2(3)(h) of the Securities Act, R.S.P.E.I. 1988, c. S-3.

Yukon Territory - section 2(b) of the Securities Act, R.S.Y. 1986, c. 158.

Northwest Territories - section 2(b) of the Securities Act, R.S.N.W.T. 1988, c. S-5.

Nunavut - section 2(b) of the Securities Act, R.S.N.W.T. 1988, c. S-5.

“NATIONAL INSTRUMENT 21-101

“FORM 21-101F1

“INFORMATION STATEMENT

EXCHANGE OR QUOTATION AND TRADE REPORTING SYSTEM

Filer: **EXCHANGE** **QUOTATION AND TRADE
REPORTING SYSTEM**

Type of Filing: **INITIAL** **AMENDMENT**

1. Full name:

2. Main street address (do not use a P.O. box):

3. Mailing address (if different):

4. Address of head office (if different from address in item 2):

5. Business telephone and facsimile number:

(Telephone)

(Facsimile)

6. Website address:

7. Contact employee:

(Name and Title) (Telephone Number) (Facsimile) (E-mail address)

8. Counsel:

(Firm Name) (Contact Name) (Telephone Number) (Facsimile) (E-mail address)

9. Date of financial year-end:

10. Legal status: Corporation Sole Proprietorship
 Partnership Other (specify):

Except where the exchange or quotation and trade reporting system is a sole proprietorship, indicate the date and place where the exchange or quotation and trade reporting system obtained its legal status (e.g., place of incorporation, place where partnership agreement was filed or where exchange or quotation and trade reporting system entity was formed):

(a) Date (DD/MM/YYYY): _____ (b) Place of formation: _____

(c) Statute under which exchange or quotation and trade reporting system was organized:

11. Market Regulation is being conducted by:

- the exchange
 the quotation and trade reporting system
 regulation services provider other than the filer (see exhibit O)

THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

EXHIBITS

File all Exhibits with the Filing. For each Exhibit, include the name of the exchange or quotation and trade reporting system, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

If the filer, recognized exchange or recognized quotation and trade reporting system files an amendment to the information provided in its Filing and the information relates to an Exhibit filed with the Filing or a subsequent amendment, the filer, recognized exchange or recognized quotation and trade reporting system, must, in order to comply with subsection 3.1(2), section 3.2, subsection 4.1(2) or 4.2 of National Instrument 21-101, provide a description of the change and file a complete and updated Exhibit.

1. CORPORATE GOVERNANCE

Exhibit A A copy of the constating documents, including corporate by-laws and other similar documents, and all subsequent amendments.

Exhibit B For each affiliated entity of the exchange or quotation and trade reporting system, and for any person or company with whom the exchange or quotation and trade reporting system has a contractual or other agreement relating to the operation of an electronic trading system (the 'System') to be used to effect transactions on the exchange or quotation and trade reporting system, provide the following information:

1. Name and address of person or company.
2. Form of organization (e.g., association, corporation, partnership, etc.).
3. Location and statute citation under which organized. Date of incorporation in present form.
4. Brief description of nature and extent of affiliation or contractual or other agreement with exchange or quotation and trade reporting system.
5. Brief description of business or functions. Description should include responsibilities with respect to operation of the System and/or execution, reporting, clearance, or settlement of transactions in connection with operation of the System.
6. If a person or company has ceased to be an affiliated entity of the exchange or quotation and trade reporting system during the previous year or ceased to have a contractual or other agreement relating to the operation of a System during the previous year, provide a brief statement of the reasons for termination of the relationship.

Exhibit C A list of partners, directors, officers, governors, members of all standing committees, or persons performing similar functions, who presently hold or have held their offices or positions during the previous year, indicating the following for each:

1. Name.
2. Title.
3. Dates of commencement and expiry of present term of office or position and length of time position held.
4. Type of business in which each is primarily engaged (e.g., sales, trading, market making, etc.) and current employer.
5. Type of business in which each was primarily engaged in the preceding five years, if different from that set out in item 4.
6. Whether the person is considered to be an independent director.

Exhibit D For each affiliated entity of the exchange or quotation and trade reporting system, provide the following information:

1. A copy of the constating documents, including corporate by-laws and other similar documents.

2. A copy of existing by-laws or corresponding rules or instruments.
3. The name and title of the present officers, governors, members of all standing committees or persons performing similar functions.
4. For the latest financial year of the affiliated entity, unconsolidated financial statements, which may be unaudited. Such financial statements shall consist, at a minimum, of a balance sheet and an income statement prepared in accordance with, or if the affiliated entity is organized under the laws of a foreign jurisdiction, reconciled with Canadian GAAP. If the affiliated entity is required by securities legislation to file annual financial statements, a statement to that effect with a reference to the relevant securities legislation may be provided instead of the financial statements required here.

Exhibit E This Exhibit is applicable only to exchange or quotation and trade reporting systems that have one or more owners, shareholders, or partners that are not also marketplace participants. If the exchange or quotation and trade reporting system is a corporation, please provide a list of each shareholder that directly owns five percent or more of a class of a voting security of the exchange or quotation and trade reporting system. If the exchange or quotation and trade reporting system is a partnership, please provide a list of all general partners and those limited partners that have the right to receive upon dissolution, or have contributed, five percent or more of the partnership's capital. For each of the persons listed in this Exhibit, please provide the following:

1. Full legal name.
2. Title or status.
3. Date title or status was acquired.
4. Approximate ownership interest.
5. Whether the person has control (as interpreted in subsection 1.3(2) of National Instrument 21-101 Marketplace Operation).

2. RULES

Exhibit F A copy of all by-laws, rules, policies and other similar instruments of the exchange or quotation and trade reporting system that are not included in Exhibit A.

3. SYSTEMS AND OPERATIONS

Exhibit G Describe the manner of operation of the System. This description should include the following:

1. A detailed description of the market, including how orders will be entered and trades executed (e.g., call market, auction market, dealer market). If more than one method of order entry or trade execution is being used, please describe.
2. The means of access to the System.
3. Procedures governing entry and display of quotations and orders in the System.
4. Detailed description of the procedures governing the execution, reporting, clearance and settlement of transactions in connection with the System.

5. The hours of operation of the System, and the date on which the exchange or quotation and trade reporting system intends to commence operation of the System.
6. If the exchange or quotation and trade reporting system proposes to hold funds or securities on a regular basis, a description of the controls that will be implemented to ensure safety of those funds or securities.
7. Description of training provided to users of the System and any materials provided to the users.
8. Description of current and future capacity estimates, contingency and business continuity plans and the procedures to review and test methodology of the system and to perform stress testing.

Exhibit H Provide a schedule for each of the following:

1. The securities listed on the exchange or quoted on the quotation and trade reporting system, indicating for each the name of the issuer and a description of the security and whether or not the issuer is suspended from trading. After the initial filing of this form, please provide a list of the changes to the securities listed on the exchange or quoted on the quotation and trade reporting system on a quarterly basis.
2. Other securities traded on the marketplace including, for each, the name of the issuer and a description of the security.

4. ACCESS

Exhibit I¹ A complete set of all forms pertaining to:

1. Filing required for participation in the exchange or quotation and trade reporting system.
2. Any other similar materials.

Exhibit J² A complete set of all forms, reports or questionnaires required of marketplace participants relating to financial responsibility or minimum capital requirements or other eligibility requirements for such marketplace participants. Provide a table of contents listing the forms included in this Exhibit and a narrative of the requirements.

Exhibit K Describe the exchange's or quotation and trade reporting system's criteria for participation in the exchange or quotation and trade reporting system. Describe conditions under which marketplace participants may be subject to suspension or termination with regard to access to the exchange or quotation and trade reporting system. Describe any procedures that will be involved in the suspension or termination of a member.

Exhibit L Provide an alphabetical list of all marketplace participants, including the following information:

1. Name.
2. Date of becoming a marketplace participant.
3. Principal business address and telephone number.

¹ Exhibit I is to be provided only if it is not otherwise provided with Exhibit F.

² Exhibit J is to be provided only if it is not otherwise provided with Exhibit F or Exhibit I.

4. If a marketplace participant is an individual, the name of the entity with which such individual is associated and the relationship of such individual to the entity (e.g., partner, officer, director, employee, etc.).

5. Describe the type of trading activities primarily engaged in by the marketplace participant (e.g., agency trader, proprietary trader, registered trader, market maker). A person shall be 'primarily engaged' in an activity or function for purposes of this item when that activity or function is the one in which that person is engaged for the majority of their time. When more than one type of person at an entity engages in any of the activities or functions enumerated in this item, identify each type (e.g., agency trades, registered trader and market maker) and state the number of marketplace participants in each.

6. The class of participation or other access.

5. LISTING CRITERIA

Exhibit M³ A complete set of documents comprising the exchange's or quotation and trade reporting system's listing or quotation filings, including any agreements required to be executed in connection with listing or quotation and a schedule of listing or quotation fees. If the exchange or quotation and trade reporting system does not list securities, provide a brief description of the criteria used to determine what securities may be traded on the exchange or quotation and trade reporting system. Provide a table of contents listing the forms included in this Exhibit and a narrative description of the listing requirements.

6. FEES

Exhibit N A description of all fees to be paid by members to the exchange, including fees relating to connection to the system, access, data, regulation (if applicable) and how such fees are set.

7. FINANCIAL VIABILITY

Exhibit O For the latest financial year of the exchange or quotation and trade reporting system, audited financial statements of the exchange or quotation and trade reporting system and a report prepared by an independent auditor.⁴

8. REGULATION

Exhibit P A description of the regulation performed by the exchange or quotation and trade reporting system, including the structure of the department performing regulation, how the department is funded, policies and procedures in place to ensure confidentiality and policies and procedures relating to conducting an investigation.

Exhibit Q If market regulation is conducted by a regulation services provider other than the filer, provide the contract between the filer and the regulation services provider.

Exhibit R If more than one entity is performing regulation services for a type of security and if the filer is conducting market regulation for itself and its members, provide the contract between the filer and the regulation services provider providing for co-ordinated surveillance and enforcement under section 7.5 of National Instrument 23-101.

³ The forms described in Exhibit M are to be provided only if it is not otherwise provided with Exhibit F.

⁴ For a new exchange, future oriented financial information should be provided instead of the information specified in Exhibit O.

**CERTIFICATE OF EXCHANGE OR QUOTATION AND
TRADE REPORTING SYSTEM**

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of exchange or quotation and trade reporting system)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“NATIONAL INSTRUMENT 21-101

**“FORM 21-101F2
“INITIAL OPERATION REPORT
ALTERNATIVE TRADING SYSTEM**

TYPE OF FILING:

INITIAL OPERATION REPORT AMENDMENT

1. Identification:

A. Full name of alternative trading system (if sole proprietor, last, first and middle name):

B. Name(s) under which business is conducted, if different from item 1A:

C. If this filing makes a name change on behalf of the alternative trading system in respect of the name set out in Item 1A or Item 1B, enter the previous name and the new name.

Previous name:

New name:

D. Alternative trading system's main street address:

E. Mailing address (if different):

F. Address of head office (if different from address in item D):

G. Business telephone and facsimile number:

(Telephone)

(Facsimile)

H. Website address:

I. Contact Employee:

(Name and Title) (Telephone Number) (Facsimile) (E-mail address)

J. The ATS is:

a member of _____
(name of the recognized self-regulatory entity)

a registered dealer

K. If this is an initial operation report, the date the alternative trading system expects to commence operation:

L. The ATS has contracted with [regulation services provider] to perform market regulation for the ATS and its subscribers.

THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

EXHIBITS

File all Exhibits with the Initial Operation Report. For each Exhibit, include the name of the ATS, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

If the ATS files an amendment to the information provided in its Initial Operation Report and the information relates to an Exhibit filed with the Initial Operation Report or a subsequent amendment, the ATS must, in order to comply with subsection 6.4(2) or 6.4(3) of National Instrument 21-101, provide a description of the change and file a complete and updated Exhibit.

Exhibit A A description of classes of subscribers (e.g., dealer, institution, or retail). Also describe any differences in access to the services offered by the alternative trading system to different groups or classes of subscribers.

Exhibit B 1. A list of the types of securities the alternative trading system trades (e.g., equity, debt) or if this is an initial operation report, the types of securities it expects to trade.

2. A list of each of the securities the alternative trading system trades, or if this is an initial operation report, the securities it expects to trade.

Exhibit C A detailed description of the market structure of the alternative trading system (e.g., call market, auction market, dealer market).

Exhibit D The name, address, telephone number, facsimile number and e-mail address of counsel for the alternative trading system.

Exhibit E A copy of the constating documents, including corporate by-laws and other similar documents, and all subsequent amendments.

Exhibit F The name of any person or company, other than the alternative trading system, that will be involved in the operation of the alternative trading system, including the execution, trading, clearing and settling of transactions on behalf of the alternative trading system. Provide a description of the role and responsibilities of each person or company.

Exhibit G The following information:

1. The manner of operation of the alternative trading system.
2. Procedures governing entry of orders into the alternative trading system.
3. The means of access to the alternative trading system.
4. Fees charged by the alternative trading system.
5. The procedures governing execution, reporting, clearance and settlement of transactions effected through the alternative trading system.
6. Procedures for ensuring subscriber compliance with requirements of the alternative trading system.
7. A description of safeguards and procedures implemented by the alternative trading system to protect subscribers' trading information.
8. Description of the training to be provided to users of the System and a copy of any materials provided.

Exhibit H A brief description of the alternative trading system's procedures for reviewing system capacity, security and contingency planning procedures.

Exhibit I If any other person or company, other than the alternative trading system, will hold or safeguard subscriber funds or securities on a regular basis, attach the name of the person or company and a brief description of the controls that will be implemented to ensure the safety of the funds and securities.

Exhibit J A list of the full legal name of registered holders and beneficial owners of securities of the alternative trading system.

Exhibit K A description of all material contracts executed by the alternative trading system.

Exhibit L The contract executed between the ATS and the regulation services provider.

Exhibit M The form of contract executed between the ATS and its subscribers.

Exhibit N The form of acknowledgement required by subsections 6.10(2) and 6.11(2) of National Instrument 21-101.

Exhibit O Description of the training to be provided to subscribers relating to the requirements set by the regulation services provider and a copy of any materials provided.

CERTIFICATE OF ALTERNATIVE TRADING SYSTEM

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of alternative trading system)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“NATIONAL INSTRUMENT 21-101

“FORM 21-101F3

“QUARTERLY REPORT OF ALTERNATIVE TRADING SYSTEM ACTIVITIES

Alternative Trading System Name: _____

Period covered by this report: _____ to _____

THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

1. Identification:

A. Full name of alternative trading system (if sole proprietor, last, first and middle name):

B. Name(s) under which business is conducted, if different from item 1A:

- C. Alternative trading system's main street address:
2. Attach as Exhibit A, a list of all subscribers at any time during the period covered by this report.
 3. Attach as Exhibit B, a list of all securities that were traded on the alternative trading system at any time during the period covered by this report.
 4. (a) Provide the details requested in the form set out in the chart below for each type of security traded on the alternative trading system for transactions during regular trading hours during the quarter. Enter 'None', 'N/A' or '0' where appropriate.

(b) Provide the details requested in the form set out in the chart below for each type of security traded on the alternative trading system for transactions during after hours trading sessions during the quarter. Enter 'None', 'N/A' or '0' where appropriate.

Category of Securities	Average Daily Value Dollar of Trading Volume	Trading Volume	Total Number of Trades
A. Exchange-traded securities Equity securities Preferred securities Debt securities Options			
B. Unlisted debt securities - Government debt securities Domestic Foreign			
C. Unlisted debt securities - Corporate debt securities Domestic			
D. Foreign Exchange-Traded Securities Equity securities Preferred securities Debt securities Options			
E. Other Specify types of securities			

5. Provide the total trading volume for each security traded on the alternative trading system in the form set out in the chart below. Enter 'None', 'N/A' or '0' where appropriate.

Category of Securities	Total Trading Volume for Each Security
A. Exchange-traded securities Equity securities [name of securities] Preferred securities [name of securities] Debt securities [name of securities] Options [name of securities]	
B. Unlisted debt securities – Government debt securities Domestic [by issuer and maturity] Foreign [by issuer and maturity]	
C. Unlisted debt securities – Corporate debt securities Domestic [by issuer and maturity]	
D. Foreign Exchange-Traded Securities Equity securities [name of securities] Preferred securities [name of securities] Debt securities [name of securities] Options [name of securities]	
E. Other Specify securities	

6. Attach as Exhibit C, a list of all persons granted, denied, or limited access to the alternative trading system during the period covered by this report, designating for each person (a) whether they were granted, denied, or limited access; (b) the date the alternative trading system took such action; (c) the effective date of such action; and (d) the nature of any denial or limitation of access.

CERTIFICATE OF ALTERNATIVE TRADING SYSTEM

The undersigned certifies that the information given in this report relating to the alternative trading system is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of alternative trading system)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“NATIONAL INSTRUMENT 21-101

“FORM 21-101F4 “CESSATION OF OPERATIONS REPORT FOR ALTERNATIVE TRADING SYSTEM

1. Identification:
 - A. Full name of alternative trading system (if sole proprietor, last, first and middle name):
 - B. Name(s) under which business is conducted, if different from item 1A:
 2. Date alternative trading system proposes to cease carrying on business as an ATS:
 3. If cessation of business was involuntary, date alternative trading system has ceased to carry on business as an ATS:
 4. Please check the appropriate box:
 - the ATS intends to carry on business as an exchange and has filed Form 21-101F1.
 - the ATS intends to cease to carry on business.
 - the ATS intends to become a member of an exchange.
- THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

EXHIBITS

File all Exhibits with the Cessation of Operations Report. For each exhibit, include the name of the ATS, the date of filing of the exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

Exhibit A The reasons for the alternative trading system ceasing to carry on business as an ATS.

Exhibit B A list of each of the securities the alternative trading system trades.

Exhibit C The amount of funds and securities, if any, held for subscribers by the alternative trading system, or another person or company retained by the alternative trading system to hold funds and securities for subscribers and the procedures in place to transfer or to return all funds and securities to subscribers.

CERTIFICATE OF ALTERNATIVE TRADING SYSTEM

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of alternative trading system)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“NATIONAL INSTRUMENT 21-101**“FORM 21-101F5
“INITIAL FORM FOR INFORMATION PROCESSOR****TYPE OF FILING:** **INITIAL FORM** **AMENDMENT****GENERAL INFORMATION**

1. Full name of information processor:
2. Main street address (do not use a P.O. box):
3. Mailing address (if different):
4. Address of head office (if different from address in item 2):
5. Business telephone and facsimile number:

(Telephone) (Facsimile)
6. Website address:
7. Contact employee:

(Name and Title) (Telephone Number) (Facsimile) (E-mail address)
8. Counsel:

(Firm Name) (Contact Name) (Telephone Number) (Facsimile) (E-mail address)
9. Date of financial year-end:
10. List of all marketplaces, dealers or other parties for which the information processor is acting or for which it proposes to act as an information processor. For each marketplace, dealer or other party, provide a description of the function(s) which the information processor performs or proposes to perform.
11. List all types of securities for which information will be collected, processed, distributed or published by the information processor. For each such marketplace, dealer or other party, provide a list of all securities for which information with respect to quotations for, or transactions in, is or is proposed to be collected, processed, distributed or published.

BUSINESS ORGANIZATION

12. Legal status: Corporation Sole Proprietorship
 Partnership Other (specify):

Except where the information processor is a sole proprietorship, indicate the date and place where the information processor obtained its legal status (e.g., place of incorporation, place where partnership agreement was filed or where information processor was formed):

(a) Date (DD/MM/YYYY): _____ (b) Place of formation: _____

- THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

EXHIBITS

File all Exhibits with the Initial Form. For each Exhibit, include the name of the information processor, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

If the information processor files an amendment to the information provided in its Initial Form, and the information relates to an Exhibit filed with the Initial Form or a subsequent amendment, the information processor must, in order to comply with section 14.1 and 14.2 of National Instrument 21-101 provide a description of the change and file a complete and updated Exhibit.

1. CORPORATE GOVERNANCE

Exhibit A A copy of the constating documents, including corporate by-laws and other similar documents, and all subsequent amendments.

Exhibit B List any person or company who owns 10 percent or more of the information processor's stock or who, either directly or indirectly, through agreement or otherwise, in any other manner, may control or direct the management or policies of the information processor. Provide the full name and address of each such person and attach a copy of the agreement or, if there is none written, describe the agreement or basis through which such person exercises or may exercise such control or direction.

Exhibit C A list of the partners, officers, directors, governors, members of all standing committees or persons performing similar functions who presently hold or have held their offices or positions during the previous year, indicating the following for each:

1. Name:
2. Title:
3. Dates of commencement and expiry of present term of office or position and length of time the office or position held.

4. Type of business in which each is primarily engaged and current employer.
5. Type of business in which each was primarily engaged in the preceding five years, if different from that set out in item 4.
6. Whether the person is considered to be an independent director.

Exhibit D A narrative or graphic description of the organizational structure of the information processor.

Exhibit E A description of the personnel qualifications for each category of professional, non-professional and supervisory employee employed by the information processor. Detail whether the personnel are employed by the information processor or a third party.

Exhibit F For each affiliated entity of the information processor, and for any person or company with whom the information processor has a contractual or other agreement relating to the operations of the information processor, provide the following information:

1. Name and address of person or company.
2. Form of organization (e.g., association, corporation, partnership, etc.)
3. Name of location and statute citation under which organized. Date of incorporation in present form.
4. Brief description of nature and extent of affiliation or contractual or other agreement with the information processor.
5. Brief description of business or functions.
6. If a person or company has ceased to be an affiliated entity of the information processor during the previous year or ceased to have a contractual or other agreement relating to the operation of the information processor during the previous year, provide a brief statement of the reasons for termination of the relationship.

2. SYSTEMS AND OPERATIONS

Exhibit G Describe the manner of operation of the system (the 'System') of the information processor that collects, processes, distributes and publishes information in accordance with National Instruments 21-101 and 23-101. This description should include the following:

1. The means of access to the System.
2. Procedures governing entry and display of quotations and orders in the System.
3. The hours of operation of the System.
4. Description of the training provided to users of the System and any materials provided to the users.
5. Description of current and future capacity estimates, contingency and business continuity plans and the procedures to review and test methodology of the system and to perform stress testing.

Exhibit H A description in narrative form of each service or function listed in Item 10 and performed by the information processor. Include a description of all procedures utilized for the collection, processing, distribution and publication of information with respect to quotations for, and transactions in, securities.

Exhibit I A list of all computer hardware utilized by the information processor to perform the services or functions listed in item 10, indicating:

1. Manufacturer, and manufacturer's equipment and identification number.
2. Whether purchased or leased (if leased, duration of lease and any provisions for purchase or renewal).
3. Where such equipment (exclusive of terminals and other access devices) is physically located.

Exhibit J A description of the measures or procedures implemented by the information processor to provide for the security of any system employed to perform the functions of an information processor. Include a general description of any physical and operational safeguards designed to prevent unauthorized access to the system. Describe any measures used to verify the accuracy of information received or disseminated by the system.

Exhibit K Where the functions of an information processor are performed by automated facilities or systems, attach a description of:

1. all backup systems which are designed to prevent interruptions in the performance of any information providing functions as a result of technical malfunctions or otherwise in the system itself, in any permitted input or output system connection or as a result of any independent source;
2. business continuity and contingency plans for the ongoing operations of the facilities or systems in the event of a catastrophe;
3. each type of interruption which has lasted for more than two minutes and has occurred within the six (6) months preceding the date of the filing, including the date of each interruption, the cause and duration; and
4. the total number of interruptions which have lasted two minutes or less.

Exhibit L For each service or function listed in Item 10:

1. Quantify in appropriate units of measure the limits on the information processor's capacity to retrieve, collect, process, store or display the data elements included within each function.
2. Identify the factors (mechanical, electronic or other) which account for the current limitations reported in answer to (1) on the capacity to receive, collect, process, store or display the data elements included within each function.

3. FINANCIAL VIABILITY

Exhibit M Audited financial statements for the latest financial year of the information processor and a report prepared by an independent auditor. Please discuss the financial viability of the information processor in the context of having sufficient financial resources to properly perform its functions.

Exhibit N A business plan with pro forma financial statements and estimates of revenue.

4. FEES

Exhibit O A complete list of all fees and other charges imposed, or to be imposed, by or on behalf of the information processor for its information services, including the cost of establishing a connection that will provide information to the information processor.

5. ACCESS

Exhibit P Attach the following:

1. State the number of persons who presently subscribe or who have notified the information processor of their intention to subscribe to the services of the information processor.
2. For each instance during the past year in which any person has been prohibited or limited in respect of access to services offered by the information processor, indicate the name of each such person and the reason for the prohibition or limitation.

Exhibit Q The form of contract governing the terms by which persons may subscribe to the services of an information processor.

Exhibit R A description of any specifications, qualifications or other criteria which limit, are interpreted to limit or have the effect of limiting access to or use of any services provided by the information processor and state the reasons for imposing such specifications, qualifications or other criteria. This applies to limits relating to providing information to the information processor and the limits relating to accessing the consolidated feed distributed by the information processor.

Exhibit S Attach any specifications, qualifications or other criteria required of participants who supply securities information to the information processor for collection, processing for distribution or publication by the information processor.

CERTIFICATE OF INFORMATION PROCESSOR

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of information processor)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“NATIONAL INSTRUMENT 21-101

**“FORM 21-101F6
“CESSATION OF OPERATIONS REPORT FOR
INFORMATION PROCESSOR**

- 1. Identification:
 - A. Full name of information processor:
 - B. Name(s) under which business is conducted, if different from item 1A:
 - 2. Date information processor proposes to cease carrying on business:
 - 3. If cessation of business was involuntary, date alternative trading system ceased to carry on business:
- THE FILER CONSENTS TO HAVING THE INFORMATION ON THIS FORM AND ATTACHED EXHIBITS PUBLICLY AVAILABLE.

EXHIBITS

File all Exhibits with the Cessation of Operations Report. For each Exhibit, include the name of the information processor, the date of filing of the Exhibit and the date as of which the information is accurate (if different from the date of the filing). If any Exhibit required is inapplicable, a statement to that effect shall be furnished instead of such Exhibit.

Exhibit A The reasons for the information processor ceasing to carry on business.

Exhibit B A list of each of the securities the information processor displays.

CERTIFICATE OF INFORMATION PROCESSOR

The undersigned certifies that the information given in this report is true and correct.

DATED at _____ this _____ day of _____, 20 _____

(Name of information processor)

(Name of director, officer or partner – please type or print)

(Signature of director, officer or partner)

(Official capacity – please type or print)

“PART XXIII
(*clause 2(w)*)
“NATIONAL INSTRUMENT 23-101
“TRADING RULES

“PART 1 DEFINITIONS AND INTERPRETATIONS

“1.1 Definitions – In this Instrument

‘NI 21-101’ means National Instrument 21-101 Marketplace Operation.

“1.2 Interpretation – NI 21-101 – Terms defined or interpreted in NI 21-101 and used in this Instrument have the respective meanings ascribed to them in NI 21-101.

“PART 2 APPLICATION OF THIS INSTRUMENT

“2.1 Application of this Instrument - A person or company is exempt from Parts 3, 4 and 5 of this Instrument if the person or company complies with the rules, policies and other similar instruments established by:

- (a) a recognized exchange that monitors and enforces the requirements set under subsection 7.1(1) directly;
- (b) a recognized quotation and trade reporting system that monitors and enforces requirements set under subsection 7.3(1) directly; or
- (c) a regulation services provider.

“PART 3 MANIPULATION AND FRAUD

“3.1 Manipulation and Fraud

(1) A person or company shall not, directly or indirectly, engage in, or participate in any transaction or series of transactions, or method of trading relating to a trade in or acquisition of a security or any act, practice or course of conduct, if the person or company knows, or ought reasonably to know, that the transaction or series of transactions, or method of trading or act, practice or course of conduct:

- (a) results in or contributes to a misleading appearance of trading activity in, or an artificial price for, a security or a derivative of that security; or
- (b) perpetrates a fraud on any person or company.

(2) In Alberta, British Columbia and Saskatchewan, instead of subsection (1), the provisions of the *Securities Act* (Alberta), the *Securities Act* (British Columbia) and *The Securities Act, 1988* (Saskatchewan), respectively, relating to manipulation and fraud apply.

“PART 4 BEST EXECUTION

“4.1 Application of this Part – This Part does not apply to a dealer that is carrying on business as an ATS in compliance with section 6.1 of NI 21-101.

“4.2 Best Execution

- (1) A dealer acting as agent for a client shall make reasonable efforts to ensure that the client receives the best execution price on a purchase or sale of securities by the client.
- (2) Without limiting the generality of subsection (1), a dealer acting as agent for a client shall not execute a transaction on a marketplace that could be filled at a better price on another marketplace or with another dealer.
- (3) In order to satisfy the requirements in subsections (1) and (2), a dealer shall make reasonable efforts to use facilities providing information regarding orders.

“PART 5 REGULATORY HALTS

“5.1 Regulatory Halts – If a regulation services provider, a recognized exchange, recognized quotation and trade reporting system or an exchange or quotation and trade reporting system that has been recognized for the purposes of this Instrument and NI 21-101 makes a decision to prohibit trading in a particular security, no person or company shall execute a trade for the purchase or sale of that security during the period in which the prohibition is in place.

“PART 6 TRADING HOURS

“6.1 Trading Hours – Each marketplace shall set requirements in respect of the hours of trading to be observed by marketplace participants.

“PART 7 MONITORING AND ENFORCEMENT OF REQUIREMENTS SET BY A RECOGNIZED EXCHANGE AND A RECOGNIZED QUOTATION AND TRADE REPORTING SYSTEM**“7.1 Requirements for a Recognized Exchange**

- (1) A recognized exchange shall set requirements governing the conduct of its members, including requirements that the members will conduct trading activities in compliance with this Instrument.
- (2) A recognized exchange shall monitor the conduct of its members and enforce the requirements set under subsection (1), either:
 - (a) directly; or
 - (b) indirectly through a regulation services provider.

“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 shall enter into a written agreement with the regulation services provider that provides:

- (a) that the regulation services provider will monitor the conduct of the recognized exchange and its members;
- (b) that the regulation services provider will enforce the requirements set under subsection 7.1(1);
- (c) that the recognized exchange will transmit the information required by Part 11 of NI 21-101 to the regulation services provider; and
- (d) that the recognized exchange will comply with all orders or directions made by the regulation services provider.

“7.3 Requirements for a Recognized Quotation and Trade Reporting System

- (1) A recognized quotation and trade reporting system shall set requirements governing the conduct of its users, including requirements that the users will conduct trading activities in compliance with this Instrument.
- (2) A recognized quotation and trade reporting system shall monitor the conduct of its users and enforce the requirements set under subsection (1) either:
 - (a) directly; or
 - (b) indirectly through a regulation services provider.

“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 shall enter into a written agreement with the regulation services provider that provides:

- (a) that the regulation services provider will monitor the conduct of the recognized quotation and trade reporting system and its users;
- (b) that the regulation services provider will enforce the requirements set under subsection 7.3(1);
- (c) that the recognized quotation and trade reporting system will transmit the information required by Part 11 of NI 21-101 to the regulation services provider; and
- (d) that the recognized quotation and trade reporting system will comply with all orders or directions made by the regulation services provider.

“7.5 Co-ordination of Monitoring and Enforcement – A regulation services provider, recognized exchange, or recognized quotation and trade reporting system shall enter into a written agreement with all other regulation services providers, recognized exchanges, and recognized quotation and trade reporting systems to coordinate monitoring and enforcement of the requirements set under this Part.**“PART 8 MONITORING AND ENFORCEMENT REQUIREMENTS FOR AN ATS****“8.1 Pre-condition to Trading on an ATS** - An ATS shall not execute a subscriber’s order to buy or sell securities unless the ATS has executed and is subject to the written agreements required by sections 8.3 and 8.4.**“8.2 Requirements Set by a Regulation Services Provider for an ATS**

- (1) A regulation services provider shall set requirements governing an ATS and its subscribers, including requirements that the ATS and its subscribers will conduct trading activities in compliance with this Instrument.
- (2) A regulation services provider shall monitor the conduct of an ATS and its subscribers and shall enforce the requirements set under subsection (1).

“8.3 Agreement between an ATS and a Regulation Services Provider - An ATS and a regulation services provider shall enter into a written agreement that provides:

- (a) that the ATS will conduct its trading activities in compliance with the requirements set under subsection 8.2(1);
- (b) that the regulation services provider will monitor the conduct of the ATS and its subscribers;
- (c) that the regulation services provider will enforce the requirements set under subsection 8.2(1);
- (d) that the ATS will transmit the information required by Part 11 of NI 21-101 to the regulation services provider; and
- (e) that the ATS will comply with all orders or directions made by the regulation services provider.

“8.4 Agreement between an ATS and its Subscriber – An ATS and its subscriber shall enter into a written agreement that provides:

- (a) that the subscriber will conduct its trading activities in compliance with the requirements set under subsection 8.2(1);
- (b) that the subscriber acknowledges that the regulation services provider will monitor the conduct of the subscriber and enforce the requirements set under subsection 8.2(1);
- (c) that the subscriber will comply with all orders or directions made by the regulation services provider, including orders excluding the subscriber from trading on any marketplace.

“8.5 Exemption for an ATS Executing Trades in Unlisted Debt Securities

- (1) Sections 8.1, 8.2, 8.3 and 8.4 not apply to an ATS executing trades in unlisted debt securities, if the ATS complies with the requirements of IDA Policy No. 5 Code of Conduct for IDA Member Firms Trading in Domestic Debt Markets, as amended.
- (2) Subsection (1) does not apply after December 31, 2003.

“PART 9 MONITORING AND ENFORCEMENT REQUIREMENTS FOR AN INTER-DEALER BOND BROKER

“9.1 Requirements Set by a Regulation Services Provider for an Inter-Dealer Bond Broker

- (1) A regulation services provider shall set requirements governing an inter-dealer bond broker, including requirements that the inter-dealer bond broker will conduct trading activities in compliance with this Instrument.
- (2) A regulation services provider shall monitor the conduct of an inter-dealer bond broker and shall enforce the requirements set under subsection (1).

“9.2 Agreement between an Inter-Dealer Bond Broker and a Regulation Services Provider – An inter-dealer bond broker and a regulation services provider shall enter into a written agreement that provides:

- (a) that the inter-dealer bond broker will conduct its trading activities in compliance with the requirements set under subsection 9.1(1);
- (b) that the regulation services provider will monitor the conduct of the inter-dealer bond broker;
- (c) that the regulation services provider will enforce the requirements set under subsection 9.1(1); and
- (d) that the inter-dealer bond broker will comply with all orders or directions made by the regulation services provider.

“9.3 Exemption for an Inter-Dealer Bond Broker

- (1) Sections 9.1 and 9.2 do not apply to an inter-dealer bond broker, if the inter-dealer bond broker complies with the requirements of IDA Policy No. 5 Code of Conduct for IDA Member Firms Trading in Domestic Debt Markets, as amended.
- (2) Subsection (1) does not apply after December 31, 2003.

“PART 10 MONITORING AND ENFORCEMENT REQUIREMENTS FOR A DEALER EXECUTING TRADES OF UNLISTED DEBT SECURITIES OUTSIDE OF A MARKETPLACE

“10.1 Requirements Set by a Regulation Services Provider for a Dealer Executing Trades of Unlisted Debt Securities Outside of a Marketplace

- (1) A regulation services provider shall set requirements governing a dealer executing trades of unlisted debt securities outside of a marketplace, including requirements that the dealer will conduct trading activities in compliance with this Instrument.
- (2) A regulation services provider shall monitor the conduct of a dealer executing trades of unlisted debt securities outside of a marketplace and shall enforce the requirements set under subsection (1).

“10.2 Agreement between a Dealer Executing Trades of Unlisted Debt Securities Outside of a Marketplace and a Regulation Services Provider – A dealer executing trades of unlisted debt securities outside of a marketplace shall enter into an agreement with a regulation services provider that provides:

- (a) that the dealer will conduct its trading activities in compliance with the requirements set under subsection 10.1(1);
- (b) that the regulation services provider will monitor the conduct of the dealer;
- (c) that the regulation services provider will enforce the requirements set under subsection 10.1(1); and
- (d) that the dealer will comply with all orders or directions made by the regulation services provider.

“10.3 Exemption for a Dealer Executing Trades of Unlisted Debt Securities Outside of a Marketplace

(1) Sections 10.1 and 10.2 do not apply to a dealer executing trades of unlisted debt securities outside of a marketplace, if the dealer complies with the requirements of IDA Policy No. 5 Code of Conduct for IDA Member Firms Trading in Domestic Debt Markets, as amended.

(2) Subsection (1) does not apply after December 31, 2003.

“PART 11 AUDIT TRAIL REQUIREMENTS

“11.1 Application of this Part –This Part does not apply to a dealer that is carrying on business as an ATS in compliance with section 6.1 of NI 21-101.

“11.2 Audit Trail Requirements for Dealers and Inter-Dealer Bond Brokers

(1) **Recording Requirements for Receipt or Origination of an Order** – Immediately following the receipt or origination of an order for securities, a dealer and inter-dealer bond broker shall record specific information relating to that order including:

- (a) the order identifier;
- (b) the dealer or inter-dealer bond broker identifier;
- (c) the type, issuer, class, series and symbol of the security;
- (d) the face amount or unit price of the order, if applicable;
- (e) the number of securities to which the order applies;
- (f) the strike date and strike price, if applicable;
- (g) whether the order is a buy or sell order;
- (h) whether the order is a short sale order, if applicable;
- (i) whether the order is a market order, limit order or other type of order, and if the order is not a market order, the price at which the order is to trade;
- (j) the date and time the order is first originated or received by the dealer or inter-dealer bond broker;
- (k) whether the account is a retail, wholesale, employee, proprietary or any other type of account;
- (l) the client account number or client identifier;
- (m) the date and time that the order expires;
- (n) whether the order is an intentional cross;
- (o) whether the order is a jitney and if so, the underlying broker identifier;
- (p) any client instructions or consents respecting the handling or trading of the order, if applicable; and
- (q) the currency of the order.

(2) **Recording Requirements for Transmission of an Order** – Immediately following the transmission of an order for securities to a dealer, inter-dealer bond broker or a marketplace, a dealer or inter-dealer bond broker transmitting the order shall add to the record of the order maintained in accordance with this section specific information relating to that order including:

- (a) the dealer or inter-dealer bond broker identifier assigned to the dealer or inter-dealer bond broker transmitting the order and the identifier assigned to the dealer, inter-dealer bond broker or marketplace to which the order is transmitted; and
- (b) the date and time the order is transmitted.

(3) **Recording Requirements for Variation, Correction or Cancellation of an Order** – Immediately following the variation, correction or cancellation of an order for securities, a dealer or inter-dealer bond broker shall add to the record of the order maintained in accordance with this section specific information relating to that order including,

- (a) the date and time the variation, correction or cancellation was originated or received;
- (b) whether the order was varied, corrected or cancelled on the instructions of the client, the dealer or the inter-dealer bond broker;
- (c) in the case of variation or correction, any of the information in subsection (1) which has been changed; and
- (d) the date and time the variation, correction or cancellation of the order is entered.

(4) **Recording Requirements for Execution of an Order** – Immediately following the execution of an order for securities, the dealer or inter-dealer bond broker shall add to the record maintained in accordance with this section specific information relating to that order including,

- (a) the identifier of the marketplace where the order was executed or the identifier of the dealer or inter-dealer bond broker executing the order if the order was not executed on a marketplace;
- (b) the date and time of the execution of the order;
- (c) whether the order was fully or partially executed;
- (d) the number of securities bought or sold;
- (e) whether the transaction was a cross;
- (f) whether the dealer has executed the order as principal;
- (g) the commission charged and all other transaction fees; and
- (h) the price at which the order was executed, including mark-up or mark-down.

(5) **Transmittal of Order Information** – A dealer and inter-dealer bond broker shall transmit to a regulation services provider the information required by the regulation services provider in the format and at the time required by the regulation services provider.

(6) **Electronic Form** – After December 31, 2003, the record kept by the dealer or inter-dealer bond broker under subsections (1) through (4) and the transmission of information to a regulation services provider under subsection (5) shall be in electronic form.

“PART 12 EXEMPTION

“12.1 Exemption

(1) The regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.

“PART 13 EFFECTIVE DATE

“13.1 Effective Date – This Instrument comes into force on December 1, 2001”.

Coming into force

5(1) Subject to subsections (2) to (4), these regulations come into force on November 30, 2001.

(2) Subject to subsections (3) and (4), if these regulations are filed with the Registrar of Regulations after November 30, 2001, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

(3) Subsections 3(2) and 4(2) come into force on December 1, 2001.

(4) If these regulations are filed with the Registrar of Regulations after December 1, 2001, subsections 3(2) and 4(2) come into force on the day on which these regulations are filed with the Registrar of Regulations.

SASKATCHEWAN REGULATIONS 86/2001*The Milk Control Act, 1992*

Section 10

Board Order, dated November 21, 2001

(Filed November 21, 2001)

Title

1 These regulations may be cited as *The Milk Control Amendment Regulations, 2001 (No. 12)*.

R.R.S. c.M-15 Reg 1, Appendix amended

2 **Part II of the Appendix to *The Milk Control Regulations* is amended:**

(a) **in clause 2(e) by adding “mozzarella cheese,” after “cottage cheese,”; and**

(b) **by repealing clauses 3(1)(m) and (n) and substituting the following:**

“(m) in the case of class 5a milk:

- (i) \$5.7244 per kilogram of butterfat;
- (ii) \$8.7281 per kilogram of protein; and
- (iii) \$0.5296 per kilogram of other solids;

“(n) in the case of class 5b milk:

- (i) \$5.7244 per kilogram of butterfat;
- (ii) \$2.7853 per kilogram of protein; and
- (iii) \$2.7853 per kilogram of other solids”.

Coming into force

3 These regulations come into force on December 1, 2001.

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