



## AMENDMENTS TO NATIONAL INSTRUMENT 21-101 MARKETPLACE OPERATION

1. *National Instrument 21-101 Marketplace Operation is amended by this Instrument.*
2. *Part 1 is amended by*

**(a) *adding the following definitions in section 1.1:***

“accounting principles” means accounting principles as defined in National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

“private enterprise” means a private enterprise as defined in Part 3 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

“publicly accountable enterprise” means a publicly accountable enterprise as defined in Part 3 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*;

**(b) *replacing the definition of “alternative trading system” in section 1.1 with the following:***

“alternative trading system”,

- (a) in every jurisdiction other than Ontario, means a marketplace that

(i) is not a recognized quotation and trade reporting system or a recognized exchange, and

(ii) does not

(A) require an issuer to enter into an agreement to have its securities traded on the marketplace,

(B) 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,

(C) set requirements governing the conduct

of subscribers, other than conduct in respect of the trading by those subscribers on the marketplace, and

(D) discipline subscribers other than by exclusion from participation in the marketplace, and

(b) in Ontario has the meaning set out in subsection 1(1) of the *Securities Act* (Ontario);;

(c) **adding "or municipal body" after "municipal corporation" in paragraph (b) of the definition of "government debt security" in section 1.1;**

(d) **replacing paragraph (c) of the definition of "government debt security" in section 1.1 with the following:**

(c) a debt security issued or guaranteed by a crown corporation or public body;;

(e) **replacing the definition of "marketplace" in section 1.1 with the following:**

"marketplace",

(a) in every jurisdiction other than Ontario, means

(i) an exchange,

(ii) a quotation and trade reporting system,

(iii) a person or company not included in clause (i) or (ii) that

(A) constitutes, maintains or provides a market or facility for bringing together buyers and sellers of securities,

(B) brings together the orders for securities of multiple buyers and sellers, and

(C) 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

- (iv) a dealer that executes a trade of an exchange-traded security outside of a marketplace, but does not include an inter-dealer bond broker; and
  - (b) in Ontario has the meaning set out in subsection 1(1) of the *Securities Act* (Ontario);;
- (f) **replacing paragraph (a) of the definition of “recognized exchange” in section 1.1 with the following:**
  - (a) in Ontario, a recognized exchange as defined in subsection 1(1) of the *Securities Act* (Ontario),;
- (g) **replacing the definition of “recognized quotation and trade reporting system” in section 1.1 with the following:**

“recognized quotation and trade reporting system” means

  - (a) in every jurisdiction other than British Columbia, Ontario and Québec, 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,
  - (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;
  - (b.1) in Ontario, a recognized quotation and trade reporting system as defined in subsection 1(1) of the *Securities Act* (Ontario), and
  - (c) in Québec, a quotation and trade reporting system recognized by the securities regulatory authority under securities or derivatives legislation as an exchange or a self-regulatory organization;; **and**
- (h) **adding the following:**

**1.5 Interpretation – NI 23-101** – Terms defined or interpreted in NI 23-101 and used in this Instrument have the respective meanings ascribed to them in NI 23-101..

3. *Part 3 is replaced with the following:*

**PART 3 MARKETPLACE INFORMATION**

**3.1 Initial Filing of Information**

- (1) A person or company must file as part of its application for recognition as an exchange or a quotation and trade reporting system Form 21-101F1.
- (2) A person or company must not carry on business as an ATS unless it has filed Form 21-101F2 at least 45 days before the ATS begins to carry on business as an ATS.

**3.2 Change in Information**

- (1) Subject to subsection (2), a marketplace must not implement a significant change to a matter set out in Form 21-101F1 or in Form 21-101F2 unless the marketplace has filed an amendment to the information provided in Form 21-101F1 or in Form 21-101F2 in the manner set out in the Form at least 45 days before implementing the change.
- (2) A marketplace must file an amendment to the information provided in Exhibit L – Fees of Form 21-101F1 or Exhibit L – Fees of Form 21-101F2, as applicable, at least seven business days before implementing a change to the information provided in Exhibit L – Fees.
- (3) For any change involving a matter set out in Form 21-101 F1 or Form 21-101F2 other than a change referred to in subsection (1) or (2), a marketplace must file an amendment to the information provided in the Form by the earlier of
  - (a) the close of business on the 10<sup>th</sup> day after the end of the month in which the change was made, and
  - (b) if applicable, the time the marketplace discloses the change publicly.

**3.3 Reporting Requirements**

A marketplace must file Form 21-101F3 within 30 days after the end of each calendar quarter during any part of which the marketplace has carried on business.

### **3.4 Ceasing to Carry on Business as an ATS**

- (1) An ATS that intends to cease carrying on business as an ATS must 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 must file a report on Form 21-101F4 as soon as practicable after it ceases to carry on that business.

### **3.5 Forms Filed in Electronic Form**

A person or company that is required to file a form or exhibit under this Instrument must file that form or exhibit in electronic form.

## **4. *Part 4 is replaced with the following:***

### **PART 4 MARKETPLACE FILING OF AUDITED FINANCIAL STATEMENTS**

#### **4.1 Filing of Initial Audited Financial Statements**

- (1) A person or company must file as part of its application for recognition as an exchange or a quotation and trade reporting system, together with Form 21-101F1, audited financial statements for its latest financial year that
  - (a) are prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises or IFRS,
  - (b) include notes to the financial statements that identify the accounting principles used to prepare the financial statements, and
  - (c) are audited in accordance with Canadian GAAS or International Standards on Auditing and are accompanied by an auditor's report.
- (2) A person or company must not carry on business as an ATS unless it has filed, together with Form 21-101F2, audited financial statements for its latest financial year.

#### **4.2 Filing of Annual Audited Financial Statements**

- (1) A recognized exchange and a recognized quotation and trade reporting system must file annual audited financial statements within 90 days after the end of its financial year in accordance with the requirements outlined in subsection 4.1(1).

- (2) An ATS must file annual audited financial statements.

5. ***Part 5 is amended by***

- (a) ***replacing the portion before section 5.2 with the following:***

**PART 5 MARKETPLACE REQUIREMENTS**

**5.1 Access Requirements**

- (1) A marketplace must not unreasonably prohibit, condition or limit access by a person or company to services offered by it.
- (2) A marketplace must
  - (a) establish written standards for granting access to each of its services; and
  - (b) keep records of
    - (i) each grant of access including 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.
- (3) A marketplace must not
  - (a) permit unreasonable discrimination among clients, issuers and marketplace participants; or
  - (b) impose any burden on competition that is not reasonably necessary and appropriate.;
- (b) ***replacing*** "recognized exchange or recognized quotation and trade reporting system" ***in section 5.2 with*** "marketplace";
- (c) ***replacing*** "member or user" ***in section 5.2 with*** "marketplace participant";
- (d) ***repealing subsection 5.3(2);***
- (e) ***repealing section 5.6; and***
- (f) ***adding the following:***

## **5.7 Fair and Orderly Markets**

A marketplace must take all reasonable steps to ensure that its operations do not interfere with fair and orderly markets.

## **5.8 Discriminatory Terms**

A marketplace must not impose terms that have the effect of discriminating between orders that are routed to the marketplace and orders that are entered on that marketplace for execution.

## **5.9 Risk Disclosure for Trades in Foreign Exchange-Traded Securities**

- (1) A marketplace that is trading foreign exchange-traded securities must provide each marketplace participant with disclosure in substantially the following words:

"The securities traded by or through the marketplace 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 marketplace by a marketplace participant, the marketplace must obtain an acknowledgement from the marketplace participant that the marketplace participant has received the disclosure required in subsection (1).

## **5.10 Confidential Treatment of Trading Information**

- (1) A marketplace must not release a marketplace participant's order or trade information to a person or company other than the marketplace participant, a securities regulatory authority or a regulation services provider unless
  - (a) the marketplace participant 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) A marketplace must not carry on business unless it has implemented reasonable safeguards and procedures to protect a marketplace participant's order or trade information, including
  - (a) limiting access to order or trade information of marketplace participants to
    - (i) employees of the marketplace, or
    - (ii) persons or companies retained by the marketplace to operate the system or to be responsible for compliance by the marketplace with securities legislation; and
  - (b) implementing standards controlling trading by employees of the marketplace for their own accounts.
- (3) A marketplace must not carry on business as a marketplace unless it has implemented adequate oversight procedures to ensure that the safeguards and procedures established under subsection (2) are followed.

#### **5.11 Management of Conflicts of Interest**

A marketplace must establish, maintain and ensure compliance with policies and procedures that identify and manage any conflicts of interest arising from the operation of the marketplace or the services it provides.

#### **5.12 Outsourcing**

If a marketplace outsources any of its key services or systems to a service provider, which includes affiliates or associates of the marketplace, the marketplace must:

- (a) establish and maintain policies and procedures for the selection of service providers to which key services and systems may be outsourced and for the evaluation and approval of such outsourcing arrangements,
- (b) identify any conflicts of interest between the marketplace and the service provider to which key services and systems are outsourced, and establish and maintain policies and procedures to mitigate and manage such conflicts of interest,
- (c) enter into a contract with the service provider to which key services and systems are outsourced that is appropriate for the materiality



and nature of the outsourced activities and that provides for adequate termination procedures,

- (d) maintain access to the books and records of the service providers relating to the outsourced activities,
- (e) ensure that the securities regulatory authorities have access to all data, information and systems maintained by the service provider on behalf of the marketplace, for the purposes of determining the marketplace's compliance with securities legislation,
- (f) take appropriate measures to determine that service providers to which key services or systems are outsourced establish, maintain and periodically test an appropriate business continuity plan, including a disaster recovery plan,
- (g) take appropriate measures to ensure that the service providers protect the marketplace participants' proprietary, order, trade or any other confidential information, and
- (h) establish processes and procedures to regularly review the performance of the service provider under any such outsourcing arrangement..

**7. Part 6 is amended by**

- (a) *repealing sections 6.4 to 6.6;***
- (b) *replacing section 6.7 with the following:***

**6.7 Notification of Threshold**

- (1) An ATS must notify the securities regulatory authority in writing if,
  - (a) during at least two of the preceding three months of operation, the total dollar value of the trading volume on the ATS for a month in any type of security is equal to or greater than 10 percent of the total dollar value of the trading volume for the month in that type of security on all marketplaces in Canada;
  - (b) during at least two of the preceding three months of operation, the total trading volume on the ATS for a month in any type of security is equal to or greater than 10 percent of the total trading volume for the month in that type of security on all marketplaces in Canada; or

- (c) during at least two of the preceding three months of operation, the number of trades on the ATS for a month in any type of security is equal to or greater than 10 percent of the number of trades for the month in that type of security on all marketplaces in Canada.
- (2) An ATS must provide the notice referred to in subsection (1) within 30 days after the threshold referred to in subsection (1) is met or exceeded.; **and**

**(c) repealing sections 6.8, 6.10, 6.12 and 6.13.**

**8. Part 7 is amended by**

- (a) **replacing** “displayed on” **with** “displayed by” **in subsection 7.1(1);**
- (b) **replacing** “of the marketplace” **with** “of the marketplace and if the orders posted on the marketplace meet the size threshold set by a regulation services provider” **in subsection 7.1(2);**
- (c) **replacing** “displayed on” **with** “displayed by” **in subsection 7.3(1);**
- (d) **replacing** “of the marketplace” **with** “of the marketplace and if the orders posted on the marketplace meet the size threshold set by a regulation services provider” **in subsection 7.3(2); and**
- (e) **replacing** “A marketplace” **with** “A marketplace that is subject to this Part” **in section 7.6.**

**9. Part 8 is amended by**

- (a) **replacing** “displayed on” **with** “displayed by” **in subsection 8.1(1);**
- (b) **replacing** “displayed on” **with** “displayed by” **in subsection 8.2(1);**
- (c) **repealing section 8.5; and**
- (d) **replacing** “2012” **with** “2015” **in section 8.6.**

**10. Part 10 is amended by**

- (a) **replacing the portion before section 10.3 with the following:**

**PART 10 TRANSPARENCY OF MARKETPLACE OPERATIONS**

**10.1 Disclosure by Marketplaces**

A marketplace must publicly disclose on its website information reasonably necessary to enable a person or company to understand the marketplace's operations or services it provides, including but not limited to information related to:

- (a) all fees, including any listing, trading, data, co-location and routing fees charged by the marketplace, an affiliate or by a party to which services have directly or indirectly been outsourced or which directly or indirectly provides those services;
- (b) how orders are entered, interact and execute;
- (c) all order types;
- (d) access requirements;
- (e) the policies and procedures that identify and manage any conflicts of interest arising from the operation of the marketplace or the services it provides;
- (f) any referral arrangements between the marketplace and service providers;
- (g) where routing is offered, how routing decisions are made; and
- (h) when indications of interest are disseminated, the information disseminated and the types of recipients of such indications of interest.; **and**

**(b) *repealing section 10.3.***

**11. *Part 11 is amended by***

**(a) *replacing paragraph 11.2(1)(c) with the following:***

- (c) a record of each order which must 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) each unique client identifier assigned to a client accessing the marketplace using direct electronic access,
- (v) the type, issuer, class, series and symbol of the security,
- (vi) the number of securities to which the order applies,
- (vii) the strike date and strike price, if applicable,
- (viii) whether the order is a buy or sell order,
- (ix) whether the order is a short sale order, if applicable,
- (x) 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,
- (xi) the date and time the order is first originated or received by the marketplace,
- (xii) whether the account is a retail, wholesale, employee, proprietary or any other type of account,
- (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) the currency of the order,
- (xvii) whether the order is routed to another marketplace for execution, and the date, time and name of the marketplace to which the order was routed, and
- (xviii) whether the order is a directed-action order, and whether the marketplace marked the order as a directed-action order or received the order marked as a directed-action order, and;

**(b) replacing subparagraph 11.2(1)(d)(ix) with the following:**

- (ix) the marketplace trading fee for each trade, and

- (x) each unique client identifier assigned to a client accessing the marketplace using direct electronic access.
- (c) **deleting “or 6.13” in subparagraph 11.3(1)(b);**
- (d) **replacing “section 12.1” with “sections 12.1 and 12.4” in subparagraph 11.3(1)(c);**
- (e) **replacing “6.10(2)” with “5.9(2)” in subparagraph 11.3(1)(e);**
- (f) **replacing subparagraphs 11.3(2)(b) to (d) with the following:**
  - (b) copies of all forms filed under Part 3; and
  - (c) in the case of an ATS, copies of all notices given under section 6.7.;
- (g) **repealing section 11.4; and**
- (h) **deleting “with the clock used by a regulation services provider monitoring the activities of marketplaces, inter-dealer bond brokers or dealers trading those securities” in subsection 11.5(2).**

**12. Part 12 is amended by**

- (a) **replacing the title with “PART 12 MARKETPLACE SYSTEMS AND BUSINESS CONTINUITY PLANNING”;**
- (b) **replacing paragraph 12.1(a) with the following:**
  - (a) develop and maintain
    - (i) an adequate system of internal control over those systems; and
    - (ii) adequate information technology general controls, including without limitation, controls relating to information systems operations, information security, change management, problem management, network support and system software support;;
- (c) **replacing paragraph 12.1(b) with the following:**
  - (b) in accordance with prudent business practice, 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 to determine the ability of those systems to process transactions in an accurate, timely and efficient manner; and;
- (d) **replacing** “paragraph 12.1(a)” **with** “paragraph 12.1(a) and section 12.4” **in subsection 12.2(1);**
- (e) **replacing** “Subsections” **with** “Paragraphs” **in subsection 12.3(4); and**
- (f) **adding the following:**

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

- (1) A marketplace must develop and maintain reasonable business continuity plans, including disaster recovery plans.
- (2) A marketplace must test its business continuity plans, including disaster recovery plans, on a reasonably frequent basis and, in any event, at least annually..

#### **13. Part 13 is amended by**

- (a) **replacing the title with** “PART 13 CLEARING AND SETTLEMENT”;
- (b) **replacing** “through an ATS” **with** “on a marketplace” **in subsection 13.1(1); and**
- (c) **replacing** “reported” **with** “reported to” **in subsection 13.1(1).**

#### **14. Part 14 is amended by**

- (a) **repealing subsection 14.1(2);**
- (b) **adding the following after subsection 14.4(5):**
- (6) An information processor must file annual audited financial statements within 90 days after the end of its financial year that
  - (a) are prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises, Canadian GAAP applicable to private enterprises or IFRS,
  - (b) include notes to the financial statements that identify the accounting principles used to prepare the financial statements, and

- (c) are audited in accordance with Canadian GAAS or International Standards on Auditing and are accompanied by an auditor's report.
- (7) An information processor must file its financial budget within 30 days after the start of a financial year.
- (8) An information processor must file, within 30 days after the end of each calendar quarter, the process and criteria for the selection of government debt securities, as applicable, and designated corporate debt securities and the list of government debt securities, as applicable, and designated corporate debt securities.
- (9) An information processor must file, within 30 days after the end of each calendar year, the process to communicate the designated securities to the marketplaces, inter-dealer bond brokers and dealers providing the information required by the Instrument, including where the list of designated securities can be found.;
- (c) ***replacing paragraph 14.5(a) with the following:***
  - (a) develop and maintain
    - (i) an adequate system of internal controls over its critical systems; and
    - (ii) adequate information technology general controls, including, without limitation, controls relating to information systems operations, information security, change management, problem management, network support, and system software support.;
- (d) ***adding "and" at the end of subparagraph 14.5(b)(i);***
- (e) ***deleting "and" at the end of subparagraph 14.5(b)(ii);***
- (f) ***repealing subparagraph 14.5.(b)(iii);***
- (g) ***adding "and section 14.6" after "paragraph (a)" in paragraph 14.5(c); and***
- (h) ***adding the following:***

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

- (1) An information processor must develop and maintain reasonable business continuity plans, including disaster recovery plans.

- (2) An information processor must test its business continuity plans, including disaster recovery plans, on a reasonably frequent basis and, in any event, at least annually.

#### **14.7 Confidential Treatment of Trading Information**

An information processor must not release order and trade information to a person or company other than the marketplace, inter-dealer bond broker or dealer that provided this information in accordance with this Instrument, or other than a securities regulatory authority, unless:

- (a) the release of that information is required by this Instrument or under applicable law; or
- (b) the information processor received prior approval from the securities regulatory authority.

#### **14.8 Transparency of Operations of an Information Processor**

An information processor must publicly disclose on its website information reasonably necessary to enable a person or company to understand the information processor's operations or services it provides including, but not limited to:

- (a) all fees charged by the information processor for the consolidated data;
- (b) a description of the process and criteria for the selection of government debt securities, as applicable, and designated corporate debt securities and the list of government debt securities, as applicable, and designated corporate debt securities;
- (c) access requirements; and
- (d) the policies and procedures to manage conflicts of interest that may arise in the operation of the information processor..

**15. Form 21-101F1 – Information Statement Exchange or Quotation and Trade Reporting system is replaced with the following:**

**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 of exchange or quotation and trade reporting system:
2. Name(s) under which business is conducted, or name of market or facility, if different from item 1:
3. If this filing makes a name change on behalf of the exchange or quotation and trade reporting system in respect of the name set out in item 1 or item 2, enter the previous name and the new name:

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):

6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:

8. Contact employee

Name and title:

Telephone number:

Facsimile:

E-mail address:

9. Counsel

Firm name:

Contact name:

Telephone number:

Facsimile:

E-mail address:

10. Market Regulation is being conducted by:

- ☐ the exchange
- ☐ the quotation and trade reporting system
- ☐ regulation services provider other than the filer (see Exhibit M)

**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.

Except as provided below, 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 subsections 3.2(1), 3.2(2) or 3.2(3) of National Instrument 21-101, provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The filer must provide a clean and a blacklined version showing changes from the previous filing.

If the filer, recognized exchange or recognized quotation and trade reporting system has otherwise filed the information required by the previous paragraph pursuant to section 5.5 of National Instrument 21-101, it is not required to file the information again as an amendment to an Exhibit. However, if supplementary material relating to a filed rule is contained in an Exhibit, an amendment to the Exhibit must also be filed.

### ***Exhibit A – Corporate Governance***

1. Legal status:
  - ☐ Corporation
  - ☐ Partnership
  - ☐ Sole Proprietorship
  - ☐ Other (specify):
2. Except where the exchange or quotation and trade reporting system is a sole proprietorship, indicate the following:
  1. Date (DD/MM/YYYY) of formation.
  2. Place of formation.
  3. Statute under which exchange or quotation and trade reporting system was organized.
3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent amendments.
4. Provide the policies and procedures to address potential conflicts of interest arising from the operation of the marketplace or the services it provides, including those related to the commercial interest of the marketplace, the interests of its owners and its operators, the responsibilities and sound functioning of the marketplace, and those between the operations of the marketplace and its regulatory responsibilities.

### ***Exhibit B – Ownership***

A list of the registered or beneficial holders of securities of, partnership interests in, or other ownership interests in, the exchange or recognized quotation and trade reporting system. For each of the persons listed in the Exhibit, please provide the following:

1. Name.
2. Principal business or occupation and title.
3. Ownership interest.
4. Nature of the ownership interest, including a description of the type of security, partnership interest or other ownership interest.
5. Whether the person has control (as interpreted in subsection 1.3(2) of National Instrument 21-101 *Marketplace Operation*).

In the case of an exchange or quotation and trade reporting system that is publicly traded, if the exchange or quotation and trade reporting system is a corporation, please only 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.

***Exhibit C - Organization***

1. A list of partners, officers, governors, and members of the board of directors and any standing committees of the board, 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. Principal business or occupation and title.
  3. Dates of commencement and expiry of present term of office or position.
  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.
2. A list of the committees of the board, including their mandates.

***Exhibit D - Affiliates***

1. For each affiliated entity of the exchange or quotation and trade reporting system provide the name, head office address and describe the principal business of the affiliate.
2. For each affiliated entity of the exchange or quotation and trade reporting system
  - (i) to which the exchange or quotation and trade reporting system has outsourced any of its key services or systems affecting the market or facility described in Exhibit E – Operations of the Marketplace, including order entry, trading, execution, routing and data, or
  - (ii) with which the exchange or quotation and trade reporting system has any other material business relationship, including loans, cross-guarantees, etc.,

provide the following information:

1. Name and address of the affiliate.
2. The name and title of the directors and officers, or persons performing similar functions, of the affiliate.
3. A description of the nature and extent of the contractual and other agreements with the exchange and quotation and trade reporting system, and the roles and responsibilities of the affiliate under the arrangement.
4. A copy of each material contract relating to any outsourced functions or other material relationship.
5. Copies of constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents.
6. For the latest financial year of the affiliated entity, financial statements, which may be unaudited, prepared in accordance with:
  - a. Canadian GAAP applicable to publicly accountable enterprises; or
  - b. Canadian GAAP applicable to private enterprises; or
  - c. IFRS.

Where the affiliated entity is incorporated or organized under the laws of a foreign jurisdiction, such financial statements may also be prepared in accordance with:

- a. U.S. GAAP; or
- b. accounting principles of a designated foreign jurisdiction as defined under National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*.

#### ***Exhibit E – Operations of the Marketplace***

Describe in detail the manner of operation of the market or facility and its associated functions. This should include, but not be limited to, a description of the following:

1. The structure of the market (e.g., call market, auction market, dealer market).
2. Means of access to the market or facility and services, including a

description of any co-location arrangements.

3. The hours of operation.
4. A description of the services offered by the marketplace including, but not limited to, order entry, co-location, trading, execution, routing and data.
5. A list of the types of orders offered, including, but not limited to, a description of the features and characteristics of orders.
6. Procedures regarding the entry, display and execution of orders. If indications of interest are used, please describe the information they include and list the types of recipients.
7. Description of how orders interact, including, but not limited to, the priority of execution for all order types.
8. Description of order routing procedures.
9. Description of order and trade reporting procedures.
10. Description of procedures for clearance and settlement of transactions.
11. The safeguards and procedures of the marketplace to protect trading information of marketplace participants.
12. Training provided to participants and a copy of any materials provided both with respect to systems of the marketplace, the requirements of the marketplace, and the rules of the regulation services providers, if applicable.
13. Steps taken to ensure that marketplace participants have knowledge of and comply with the requirements of the marketplace.

The filer must provide all policies, procedures and trading manuals related to the operation of the marketplace and, if applicable, the order router.

#### ***Exhibit F – Outsourcing***

Where the exchange or quotation and trade reporting system has outsourced the operation of key services or systems affecting the market or facility described in Exhibit E – Operations of the Marketplace to an arms-length third party, including any function associated with the routing, trading, execution, data, clearing and settlement and, if applicable, surveillance, provide the following information:

1. Name and address of person or company to which the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the exchange or quotation and trade reporting system and the roles and responsibilities of the arms-length party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

#### ***Exhibit G - Systems and Contingency Planning***

For each of the systems that support order entry, order routing, execution, trade reporting, trade comparison, data feed, market surveillance, and trade clearing, describe:

1. Current and future capacity estimates.
2. Procedures for reviewing system capacity.
3. Procedures for reviewing system security.
4. Procedures to conduct stress tests.
5. A description of the filer's business continuity and disaster recovery plans, including any relevant documentation.
6. Procedures to test business continuity and disaster recovery plans.

#### ***Exhibit H – Custody of Assets***

1. If the exchange or quotation and trade reporting system proposes to hold funds or securities of a marketplace participant on a regular basis, a description of the controls that will be implemented to ensure the safety of the funds or securities.
2. If any other person or company, other than the exchange or quotation and trade reporting system, will hold or safeguard funds or securities of a marketplace participant on a regular basis, provide the name of the person or company and a description of the controls that will be implemented to ensure the safety of the funds or securities.

#### ***Exhibit I - Securities***

1. List the types of securities listed on the exchange or quoted on the quotation and trade reporting system. If this is an initial filing, list the types of securities the Filer expects to list or quote.

2. List the types of any other securities that are traded on the marketplace or quoted on the quotation and trade reporting system, indicating the exchange(s) on which such securities are listed. If this is an initial filing, list the types of securities the Filer expects to trade.

#### ***Exhibit J – Access to Services***

1. A complete set of all forms, agreements or other materials pertaining to access to the services of the marketplace described in Exhibit E.4, including trading on the exchange or quotation and trade reporting system.
2. Describe the classes of marketplace participants.
3. Describe the exchange or quotation and trade reporting service's criteria for access to the services of the marketplace.
4. Describe any differences in access to the services offered by the marketplace to different groups or classes of marketplace participants.
5. Describe conditions under which marketplace participants may be subject to suspension or termination with regard to access to the services of the exchange or quotation and trade reporting system.
6. Describe any procedures that will be involved in the suspension or termination of a marketplace participant.
7. Describe the exchange or quotation and trade reporting system's arrangements for permitting clients of marketplace participants to have access to the marketplace. Provide a copy of any agreements or documentation relating to these arrangements.

#### ***Exhibit K – Marketplace Participants***

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

1. Name.
2. Date of becoming a marketplace participant.
3. Describe the type of trading activities engaged in by the marketplace participant (e.g., agency trading, proprietary trading, registered trading, market making).
4. The class of participation or other access.
5. Provide a list of all persons or entities that were denied or limited access to the marketplace, indicating for each:



- (i) whether they were denied or limited access;
- (ii) the date the marketplace took such action;
- (iii) the effective date of such action; and
- (iv) the nature and reason for any denial or limitation of access.

**Exhibit L - Fees**

A description of the fee model and all fees charged by the marketplace, or by a party to which services have been directly or indirectly outsourced, including, but not limited to, fees relating to connecting to the market or facility, access, data, regulation (if applicable), trading, routing, and co-location, how such fees are set, and any fee rebates or discounts and how the rebates and discounts are set.

**Exhibit M - Regulation**

Market Regulation is being conducted by:

☐ the exchange or QTRS

1. Provide a description of the regulation performed by the exchange or QTRS, including the structure of the department performing regulation, how the department is funded, policies and procedures in place to ensure confidentiality and the management of conflicts of interest, and policies and procedures relating to conducting an investigation.
2. If more than one entity is performing regulation services for a type of security and 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 monitoring and enforcement under section 7.5 of National Instrument 23-101 *Trading Rules*.

☐ a regulation services provider other than the filer (provide a copy of the contract between the filer and the regulation services provider.)

**Exhibit N – Acknowledgement**

The form of acknowledgement required by subsection 5.9(2) of National Instrument 21-101.

**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)

16. *Form 21-101F2 – Initial Operation Report Alternative Trading System is replaced with the following:*

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

**TYPE OF FILING:**

☐ **INITIAL OPERATION REPORT**      ☐ **AMENDMENT**

Identification:

1. Full name of alternative trading system:
  
2. Name(s) under which business is conducted, if different from item 1:
  
3. If this filing makes a name change on behalf of the alternative trading system in respect of the name set out in Item 1 or Item 2, enter the previous name and the new name.

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):

6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:

8. Contact employee

Name and title:

Telephone number:

Facsimile:

E-mail address:

9. Counsel

Firm name:

Contact name:

Telephone number:

Facsimile:

E-mail address:

10. The ATS is

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

☐ a registered dealer

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

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

## 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 3.2(1), 3.2(2) or 3.2(3) of National Instrument 21-101, provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The ATS must provide a clean and blacklined version showing changes from the previous filing.

### ***Exhibit A – Corporate Governance***

1. Legal status:
  - ☐ Corporation
  - ☐ Partnership
  - ☐ Sole Proprietorship
  - ☐ Other (specify):
2. Except where the ATS is a sole proprietorship, indicate the following:
  1. Date (DD/MM/YYYY) of formation.
  2. Place of formation.
  3. Statute under which the ATS was organized.
3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent amendments.
4. Provide the policies and procedures to address conflicts of interest arising from the operation of the marketplace or the services it provides, including those related to the commercial interest of the marketplace, the interests of its owners and its operators, and the responsibilities and sound functioning of the marketplace.

### ***Exhibit B – Ownership***

A list of the registered or beneficial holders of securities of, partnership interests in, or other ownership interests in, the ATS. For each of the persons listed in the Exhibit, please provide the following:

1. Name.
2. Principal business or occupation and title.
3. Ownership interest.
4. Nature of the ownership interest, including a description of the type of security, partnership interest or other ownership interest.
5. Whether the person has control (as interpreted in subsection 1.3(2) of National Instrument 21-101 *Marketplace Operation*).

In the case of an ATS that is publicly traded, if the ATS is a corporation, please only provide a list of each shareholder that directly owns five percent or more of a class of a voting security of the ATS.

### ***Exhibit C - Organization***

1. A list of partners, officers, governors, and members of the board of directors and any standing committees of the board, 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. Principal business or occupation and title.
  3. Dates of commencement and expiry of present term of office or position.
  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.
2. A list of the committees of the board, including their mandates.

#### ***Exhibit D - Affiliates***

1. For each affiliated entity of the ATS provide the name, head office address and describe the principal business of the affiliate.
2. For each affiliated entity of the ATS
  - (i) to which the ATS has outsourced any of its key services or systems affecting the market or facility described in Exhibit E – Operations of the Marketplace, including order entry, trading, execution, routing and data, or
  - (ii) with which the ATS has any other material business relationship, including loans, cross-guarantees, etc.

provide the following information:

1. Name and address of the affiliate.
2. The name and title of the directors and officers, or persons performing similar functions, of the affiliate.
3. A description of the nature and extent of the contractual and other agreements with the ATS and the roles and responsibilities of the affiliate under the arrangement.
4. A copy of each material contract relating to any outsourced functions or other material relationship.
5. Copies of constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents.

#### ***Exhibit E – Operations of the Marketplace***

Describe in detail the manner of operation of the market and its associated functions. This should include, but not be limited to, a description of the following:

1. The structure of the market (e.g., call market, auction market, dealer market).
2. Means of access to the market or facility and services, including a description of any co-location arrangements.
3. The hours of operation.
4. A description of the services offered by the marketplace including, but not limited to, order entry, co-location, trading, execution,

routing and data.

5. A list of the types of orders offered, including, but not limited to, a description of the features and characteristics of orders.
6. Procedures regarding the entry, display and execution of orders. If indications of interest are used, please describe the information they include and list the types of recipients.
7. Description of how orders interact, including, but not limited to, the priority of execution for all order types.
8. Description of order routing procedures.
9. Description of order and trade reporting procedures.
10. Description of procedures for clearance and settlement of transactions.
11. The safeguards and procedures of the marketplace to protect trading information of marketplace participants.
12. Training provided to participants and a copy of any materials provided both with respect to systems of the marketplace, the requirements of the marketplace, and the rules of the regulation services providers, if applicable.
13. Steps taken to ensure that marketplace participants have knowledge of and comply with the requirements of the marketplace.

The filer must provide all policies, procedures and trading manuals related to the operation of the marketplace and, if applicable, the order router.

#### ***Exhibit F – Outsourcing***

Where the ATS has outsourced the operation of key services or systems affecting the market or facility described in Exhibit E – Operations of the Marketplace to an arms-length third party, including any function associated with the routing, trading, execution, clearing and settlement, and co-location, provide the following information:

1. Name and address of person or company to which the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the ATS and the roles and responsibilities of the arms-length party under the arrangement.



3. A copy of each material contract relating to any outsourced function.

#### ***Exhibit G- Systems and Contingency Planning***

For each of the systems that support order entry, order routing, execution, trade reporting, trade comparison, data feed, market surveillance, and trade clearing, describe:

1. Current and future capacity estimates.
2. Procedures for reviewing system capacity.
3. Procedures for reviewing system security.
4. Procedures to conduct stress tests.
5. A description of the filer's business continuity and disaster recovery plans, including any relevant documentation.
6. Procedures to test business continuity and disaster recovery plans.

#### ***Exhibit H – Custody of Assets***

1. If the ATS proposes to hold funds or securities of a marketplace participant on a regular basis, a description of the controls that will be implemented to ensure the safety of the funds or securities.
2. If any other person or company, other than the ATS, will hold or safeguard funds or securities of a marketplace participant on a regular basis, provide the name of the person or company and a description of the controls that will be implemented to ensure the safety of the funds or securities.

#### ***Exhibit I- Securities***

List the types of securities that are traded on the ATS, indicating the exchange(s) on which such securities are listed. If this is an initial filing, the types of securities the ATS expects to trade.

#### ***Exhibit J – Access to Services***

1. A complete set of all forms, agreements or other materials pertaining to access to the services of the marketplace described in Exhibit E.4, including trading on the ATS.
2. Describe the classes of marketplace participants (i.e. dealer, institution, or retail).

3. Describe the ATS's criteria for access to the services of the marketplace.
4. Describe any differences in access to the services offered by the marketplace to different groups or classes of marketplace participants.
5. Describe conditions under which marketplace participants may be subject to suspension or termination with regard to access to the services of the ATS.
6. Describe any procedures that will be involved in the suspension or termination of a marketplace participant.
7. Describe the ATS's arrangements for permitting clients of marketplace participants to have access to the marketplace. Provide a copy of any agreements or documentation relating to these arrangements.

***Exhibit K – Marketplace Participants***

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

1. Name.
2. Date of becoming a marketplace participant.
3. Describe the type of trading activities primarily engaged in by the marketplace participant (e.g., agency trading, proprietary trading, registered trading, market making).
4. The class of participation or other access.
5. Provide a list of all persons or entities that were denied or limited access to the marketplace, indicating for each:
  - (i) whether they were denied or limited access;
  - (ii) the date the marketplace took such action;
  - (iii) the effective date of such action; and
  - (iv) the nature and reason for any denial or limitation of access.

***Exhibit L - Fees***

A description of the fee model and all fees charged by the marketplace, or by a party to which services have been directly or indirectly outsourced, including, but not limited to, fees relating to connecting to the market or facility, access, data, regulation (if applicable), trading, routing, and co-location, how such fees are set and any fee rebates or discounts and how the rebates and discounts are set.

***Exhibit M – Regulation***

The ATS has contracted with regulation services provider ..... to perform market regulation for ATS and its subscribers. Provide a copy of the contract between the filer and the regulation services provider.

***Exhibit N – Acknowledgement***

The form of acknowledgement required by subsections 5.9(2) and 6.11(2) of National Instrument 21-101.

**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).

17. **Form 21-101F3 Quarterly Report of Alternative Trading System Activities is replaced with the following:**

**FORM 21-101F3  
QUARTERLY REPORT OF MARKETPLACE ACTIVITIES**

**A. General Marketplace Information**

1. Marketplace Name:
2. Period covered by this report:
3. Identification
  - A. Full name of marketplace (if sole proprietor, last, first and middle name):
  - B. Name(s) under which business is conducted, if different from item A:
  - C. Marketplace main street address:
4. Attach as **Exhibit A** a current list of all marketplace participants at the end of the period covered by this report, identifying those marketplace participants that are using the marketplace's co-location services, if any. For each marketplace participant, indicate the number of trader IDs that may access the marketplace.
5. Attach as **Exhibit B** a list of all marketplace participants granted, denied or limited access to the marketplace during the period covered by this report, indicating for each marketplace participant: (a) whether they were granted, denied or limited access; (b) the date the marketplace took such action; (c) the effective date of such action; and (d) the nature of any denial or limitation of access.
6. A list of all amendments in the information in Form 21-101F1 or 21-101F2 that were filed with the Canadian securities regulatory authorities and implemented during the period covered by the report. The list must include a brief description of each amendment, the date filed and the date implemented.
7. A list of all amendments in the information in Form 21-101F1 or 21-101F2 that have been filed with the Canadian securities regulatory authorities but not implemented as of the end of the period covered by the report. The list must include a brief description of each amendment, the date filed and the reason why it was not implemented.

8. Systems - If any outages occurred at any time during the period for any system relating to trading activity, including trading, routing or data, provide the date, duration and reason for the outage.

## B. Marketplace Activity Information

### Section 1 –Marketplaces Trading Exchange-Listed Securities

1. **General trading activity** – For each type of security traded on the marketplace, provide the details (where appropriate) requested in the form set out in **Chart 1**. The information should be provided for transactions executed at the opening of the market, during regular trading hours, and after hours during the quarter. Enter "None", "N/A", or "0" where appropriate.

**Chart 1 – General trading activity for marketplaces trading exchange-listed securities**

Category of Securities	Volume		Value		Number of Trades	
	Transparent	Non-transparent	Transparent	Non-transparent	Transparent	Non-transparent
<b>Exchange-Traded Securities</b>						
1. Equity (includes preferred shares)						
2. Exchange-traded funds (ETFs)						
3. Debt securities						
4. Options						
<b>Foreign Exchange-Traded Securities</b>						
1. Equity (includes preferred shares)						
2. ETFs						
3. Debt securities						
4. Options						

2. **Crosses** - Provide the details (where appropriate) requested in the form set out in **Chart 2** below for each type of cross executed on the marketplace for

trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter "None", "N/A", or "0" where appropriate.

### Chart 2 – Crosses

Types of Crosses	% Volume	% Value	% Number of Trades
<b>% of exchange-traded securities that are</b>			
1. Intentional Crosses <sup>1</sup>			
2. Internal crosses			
3. Other crosses			

**3. Order information** – Provide the details (where appropriate) requested in the form set out in **Chart 3** below for each type of order in exchange traded securities executed on the marketplace for orders entered at the opening of the market, during regular trading and after hours during the quarter. Enter "none", "N/A" or "0" where appropriate.

### Chart 3 – Order information

Types of Orders	Number of Orders	% Orders Executed	% Orders Cancelled <sup>2</sup>
1. Anonymous <sup>3</sup>			
2. Fully transparent			
3. Pegged Orders			
4. Fully hidden			
5. Separate dark facility of a transparent market			
6. Partially hidden (reserve)			
7. Total number of orders entered during the quarter			

<sup>1</sup> See definition of an Internal and Intentional Cross in Section 1.1 of the Universal Market Integrity Rules.

<sup>2</sup> By cancellations, we mean "pure" cancellations, i.e. cancellations that do not result in a new and amended order.

<sup>3</sup> Orders executed under ID 001.

4. **Trading by security** – Provide the details requested in the form set out in **Chart 4** below for the 10 most traded securities on the marketplace (based on the volume of securities traded) for trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter “None”, “N/A”, or “0” where appropriate.

**Chart 4 – Most traded securities**

Category of Securities	Volume	Value	Number of Trades
<b>Exchange-Traded Securities</b>			
1. Equity (includes preferred shares) [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
2. ETFs [Name of Securities] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
3. Debt [Enter issuer, maturity and coupon] 1. 2. 3. 4. 5. 6. 7. 8.			

9.			
10.			
<b>Foreign Exchange-Traded Securities</b>			
1. Equity (includes preferred shares) [Name of Securities]			
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
2. ETFs [Name of Securities]			
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
3. Debt [Name of Securities]			
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

**5. Trading by marketplace participant** - Provide the details requested in the form set out in **Chart 5** below for the top 10 marketplace participants (based on the volume of securities traded). The information should be provided for the total trading volume, including for trades executed at the opening of the market, during regular trading and after hours during the quarter. Enter "None", "N/A", or "0" where appropriate. Where a marketplace's marketplace participants are



dealers and non-dealers, the marketplace should complete a separate chart for each.

#### Chart 5 – Concentration of trading by marketplace participant

Marketplace Participant Name	Total Active Volume	Total Passive Volume
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		

**6. Routing activities** - Indicate the percentage of marketplace participants that used marketplace-owned or third-party or affiliated routing services during the reporting period. In addition, provide the information in **Chart 6** below.

#### Chart 6 – Routing of marketplace orders

Number of orders executed on the reporting marketplace	
Number of orders routed to away marketplaces (list all marketplaces where orders were routed)	
Number of orders that are marked and treated as Directed Action Orders (DAO)	

**7. Co-location** - Indicate the percentage of marketplace participants that are using the marketplace's co-location services, if any.

#### Section 2 – Fixed Income Marketplaces

**1. General trading activity** - Provide the details (where appropriate) requested in the form set out in **Chart 7** below for each type of fixed income security traded on the marketplace for transactions executed during regular trading hours. Enter "None", "N/A", or "0" where appropriate.

### Chart 7 – Fixed income activity

Category of Securities	Value Traded	Number of Trades
Domestic Unlisted Debt Securities - Government		
1. Federal		
2. Federal Agency		
3. Provincial and Municipal		
Domestic Unlisted Debt Securities – Corporate		
Domestic Unlisted Debt Securities - Other		
Foreign Unlisted Debt Securities – Government		
Foreign Unlisted Debt Securities – Corporate		
Foreign Unlisted Debt Securities - Other		

**2. Trading by security** – Provide the details requested in the form set out in **Chart 8** below for the 10 most traded fixed income securities on the marketplace (based on the value of the volume traded) for trades executed during regular trading hours during the quarter. Enter “None”, “N/A”, or “0” where appropriate.

### Chart 8 – Most traded fixed income securities

Category of Securities	Value Traded	Number of Trades
Domestic Unlisted Debt Securities - Government		
1. Federal [Enter issuer, maturity, coupon]		
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
2. Federal Agency [Enter issuer, maturity, coupon]		
1.		
2.		

Category of Securities	Value Traded	Number of Trades
3. 4. 5. 6. 7. 8. 9. 10.		
3. Provincial and Municipal [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Domestic Unlisted Debt Securities – <b>Corporate</b> [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Domestic Unlisted Debt Securities – <b>Other</b> [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6.		

Category of Securities	Value Traded	Number of Trades
7. 8. 9. 10.		
Foreign Unlisted Debt Securities – <b>Government</b> [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Foreign Unlisted Debt Securities – <b>Corporate</b> [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Foreign Unlisted Debt Securities – <b>Other</b> [Enter issuer, maturity, coupon] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		

**3. Trading by marketplace participant** - Provide the details requested in the form set out in **Chart 9** below for the top 10 marketplace participants for trades executed during regular trading hours during the quarter. Enter "None", "N/A", or "0" where appropriate. If marketplace participants are dealers and non-dealer institutions, the marketplace should complete a separate chart for each.

**Chart 9 – Concentration of trading by marketplace participant**

Marketplace Participant Name	Value Traded
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

**Section 3 – Securities Lending Marketplaces**

**1. General lending activity** – Please provide details (where appropriate) requested in the form set out in **Chart 10** below for each type of securities loaned on the marketplace. Enter "None", "N/A" or "0" where appropriate.

**Chart 10 – Lending activity**

Category of Securities	Quantity of Securities Lent During the Quarter	Aggregate Value of Securities Lent During the Quarter
Domestic		
1. Corporate Equity Securities		
1.1. Common Shares		
1.2. Preferred Shares		
2. Non-Corporate Equity Securities (e.g. trust units, partnership units, etc.)(please specify)		
3. Government Debt Securities		
4. Corporate Debt Securities		
5. Other Fixed Income Securities (please specify)		
Foreign		

1. Corporate Equity Securities		
1.1. Common Shares		
1.2. Preferred Shares		
2. Non-Corporate Equity Securities (e.g. trust units, partnership units, etc.)(please specify)		
3. Government Debt Securities		
4. Corporate Debt Securities		
5. Other Fixed Income Securities (please specify)		

**2. Trading by marketplace participant** – Provide the details requested in the form set out in **Chart 11** and **Chart 12** below for the top 10 borrowers and lenders based on their aggregate value of securities borrowed or loaned, respectively, during the quarter.

**Chart 11 – Concentration of activity by borrower**

Borrower Name	Aggregate Value of Securities Borrowed During the Quarter
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

**Chart 12 – Concentration of activity by lender**

Lender Name	Aggregate Value of Securities Loaned During the Quarter
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	

9.	
10.	

**3. Lending activity by security** – Provide the details requested in the form set out in **Chart 13** below for the 10 most loaned securities on the marketplace (based on the quantity of securities loaned during the quarter). Enter “None”, “N/A” or “0” where appropriate.

**Chart 13 – Most loaned securities**

Category of Securities	Quantity of Securities Lent During the Quarter	Aggregate Value of Securities Lent During the Quarter
Domestic		
1. Common Shares [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
2. Preferred Shares [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
3. Non-Corporate Equity Securities [Name of Security] 1. 2. 3. 4. 5. 6.		

7.		
8.		
9.		
10.		
4. Government Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
5. Corporate Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
6. Other Fixed Income Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
Foreign		
1. Common Shares [Name of Security] 1.		



2. 3. 4. 5. 6. 7. 8. 9. 10.		
2. Preferred Shares [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
3. Non-Corporate Equity Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
4. Government Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		

5. Corporate Debt Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		
6. Other Fixed Income Securities [Name of Security] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.		

#### **Section 4 – Derivatives Marketplaces in Quebec**

1. **General trading activity** – For each category of product traded on the marketplace, provide the details (where appropriate) requested in the form set out in **Chart 14** below. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for transactions executed in the early session, during the regular session, and in the extended session during the quarter. Enter “None”, “N/A”, or “0” where appropriate.

**Chart 14 – General trading activity**

Category of Product	Volume	Number of Trades	Open Interest (Number/End of Quarter)
<b>Futures Products</b>			
1(a) Interest rate - short term			

1(b) Interest rate – long term			
2. Index			
3. ETF			
4. Equity			
5. Currency			
6. Energy			
7. Others, please specify			
<b>Options Products</b>			
1(a) Interest rate - short term			
1(b) Interest rate – long term			
2. Index			
3. ETF			
4. Equity			
5. Currency			
6. Energy			
7. Others, please specify			

**2. Trades resulting from pre-negotiation discussions** - Provide the details (where appropriate) requested in the form set out in **Chart 15** below by product and for each type of trade resulting from pre-negotiation discussions. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter "None", "N/A", or "0" where appropriate.

**Chart 15 –Trades resulting from pre-negotiation discussions**

Type of Trade	% of Volume	% Number of Trades
<b>Futures Products</b>		
A. Cross		
B. Pre-arranged		
C. Block		
D. Exchange for physical		
E. Exchange for risk		
F. Riskless basis cross		

G. Others, please specify		
<b>Options Products</b>		
A. Cross		
B. Pre-arranged		
C. Block		
D. Others, please specify		

**3. Order information** – Provide the details (where appropriate) requested in the form set out in **Chart 16** below by product and for each type of order in exchange traded contracts executed on the marketplace. For products other than options on ETFs and equity options, provide the details on a product-by-product basis in the appropriate category. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for orders entered in the early session, during the regular session and in the extended session during the quarter. Enter “none”, “N/A” or “0” where appropriate.

**Chart 16 – Order information**

Type of Orders	% Volume	% Number of Trades
1. Anonymous		
2. Fully transparent		
3. Pegged orders		
4. Fully hidden		
5. Separate dark facility of a transparent market		
6. Partially hidden (reserve, for example, iceberg orders)		

**4. Trading by product** – Provide the details requested in the form set out in **Chart 17** below. For each product other than options on ETFs and equity options, list the most actively-traded contracts (by volume) on the marketplace that in the aggregate constitute at least 75% of the total volume for each product during the quarter. The list must include at least 3 contracts. For options on ETFs and equity options, list the 10 most actively traded classes by volume. Details for options on ETFs and equity options should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter “None”, “N/A”, or “0” where appropriate.

Chart 17 – Most traded contracts

Category of Product	Volume	Number of Trades	Open Interest (Number/End of Quarter)
<b>Futures Products</b>			
1. Name of products – 3 most-traded contracts (or more as applicable) 1. 2. 3.			
<b>Options Products</b>			
2. ETF [Classes] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
3. Equity [Classes] 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.			
4. Other listed options (specify for each) – 3 most traded contracts (or more as applicable) 1. 2. 3.			

5. **Concentration of trading by marketplace participant** - Provide the details requested in the form set out in **Chart 18** below. For each product other than

options on ETFs and equity options, list the top marketplace participants whose aggregate trading (by volume) constituted at least 75% of the total volume traded. The list must include at least 3 marketplace participants. For options on ETFs and equity options, provide the top 10 most active marketplace participants (by volume). The information should be provided on an aggregate basis (one total for options on ETFs and one for options on equities). The information should be provided for trades executed in the early session, during the regular session and in the extended session during the quarter. Enter "None", "N/A", or "0" where appropriate.

**Chart 18 – Concentration of trading by marketplace participant**

Product Name	Marketplace Participant Name	Volume
<b>Futures</b>		
Product Name (specify for each)	1. 2. 3. (more if necessary)	
<b>Options</b>		
ETF	1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	
Equity	1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	
Other options (specify for each)	1. 2. 3. (more if necessary)	

**6. Co-location**

Indicate the percentage of marketplace participants that are using the marketplace's co-location services, if any.

**C. Certificate of Marketplace**

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

DATED at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
(Name of Marketplace)

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

\_\_\_\_\_  
(Signature of director, officer or partner)

\_\_\_\_\_  
(Official capacity – please type or print) ”

**18. Form 21-101F5 Initial Operation Report for Information Processor is replaced with the following:**

**FORM 21-101F5  
INITIAL OPERATION REPORT FOR INFORMATION PROCESSOR**

**TYPE OF FILING:**

☐ **INITIAL FORM**

☐ **AMENDMENT**

**GENERAL INFORMATION**

1. Full name of information processor:

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

3. If this filing makes a name change on behalf of the information processor in respect of the name set out in item 1 or item 2, enter the previous name and the new name:

Previous name:

New name:

4. Head office

Address:

Telephone:

Facsimile:

5. Mailing address (if different):

6. Other offices

Address:

Telephone:

Facsimile:

7. Website address:

8. Contact employee

Name and title:

Telephone number:

Facsimile:

E-mail address:

9. Counsel

Firm name:

Contact name:

Telephone number:

Facsimile:



E-mail address:

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.

### **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 sections 14.1 and 14.2 of National Instrument 21-101 provide a description of the change, the expected date of the implementation of the change, and file a complete and updated Exhibit. The information processor must provide a clean and a blacklined version showing changes from the previous filing.

### ***Exhibit A - Corporate Governance***

1. Legal status:

☐ Corporation

☐ Sole Proprietorship

☐ Partnership

☐ Other (specify):

2. 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):

1. Date (DD/MM/YYYY) of formation.

2. Place of formation.

3. Statute under which the information processor was

organized.

3. Provide a copy of the constating documents (including corporate by-laws), shareholder agreements, partnership agreements and other similar documents, and all subsequent documents.
4. Provide the policies and procedures which promote independence of the information processor from the marketplaces, inter-dealer bond brokers and dealers that provide data.
5. Provide the policies and procedures which address the potential conflicts of interest between the interests of the information processor and its owners, partners, directors and officers.

#### ***Exhibit B - Ownership***

List any person or company who owns 10 percent or more of the information processor's outstanding shares 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 - Organization***

1. A list of the partners, directors, governors, and members of the board of directors and any standing committees of the board or persons performing similar functions who presently hold or have held their offices or positions during the previous year identifying those individuals with overall responsibility for the integrity and timeliness of data reported to and displayed by the system (the "System") of the information processor, indicating the following for each:

1. Name.
2. Principal business or occupation and title.
3. Dates of commencement and expiry of present term of office or position.
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.
7. A list of the committees of the board, including their mandates.

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

#### ***Exhibit D - Staffing***

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, identifying the employees responsible for monitoring the timeliness and integrity of data reported to and displayed by the System.

#### ***Exhibit E - Affiliates***

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, including loans or cross-guarantees, 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.
4. Date of incorporation in present form.
5. Description of nature and extent of affiliation and/or contractual or other agreement with the information processor.
6. Description of business or functions of the affiliates.
7. 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.

#### ***Exhibit F - Services***

A description in narrative form of each service or function performed by the information processor. Include a description of all procedures utilized for the collection, processing, distribution, validation and publication of information with respect to orders and trades in securities.

### ***Exhibit G – System and Operations***

1. Describe the manner of operation of 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 including data validation processes.
  3. A description of any measures used to verify the timeliness and accuracy of information received and disseminated by the system, including the processes to resolve data integrity issues identified.
  4. The hours of operation of the System.
  5. Description of the training provided to users of the System and any materials provided to the users.
2. Include a list of all computer hardware utilized by the information processor to perform the services or functions listed in Exhibit F, 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.
3. Provide 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. This should include a general description of any physical and operational safeguards designed to prevent unauthorized access to the system.
4. Provide a description of 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.
5. Describe the business continuity and disaster recovery plans of the information processor, and provide any relevant documentation.

6. List 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. Provide the total number of interruptions which have lasted two minutes or less.
7. Describe the procedures for reviewing system capacity, and indicate current and future capacity estimates.
8. Quantify in appropriate units of measure the limits on the information processor's capacity to receive, collect, process, store or display the data elements included within each function.
9. Identify the factors (mechanical, electronic or other) which account for the current limitations on the capacity to receive, collect, process, store or display the data elements included within each function described in section 8 above.
10. Describe the procedures for conducting stress tests.

#### ***Exhibit H – Outsourcing***

Where the information processor has outsourced the operation of any aspect of the services listed in Exhibit F to an arms-length third party, including any function related to the collection, consolidation, and dissemination of data, provide the following information:

1. Name and address of person or company to whom the function has been outsourced.
2. A description of the nature and extent of the contractual or other agreement with the information processor, and the roles and responsibilities of the arms-length third party under the arrangement.
3. A copy of each material contract relating to any outsourced function.

#### ***Exhibit I - Financial Viability***

1. Provide a business plan with pro forma financial statements and estimates of revenue.
2. Discuss the financial viability of the information processor in the context of having sufficient financial resources to properly perform its functions.

#### ***Exhibit J - Fees and Revenue Sharing***

1. Provide 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. This would include all fees to provide data and fees to receive the data from the information processor.

2. Where arrangements exist to share revenue from the sale of data disseminated by the information processor with marketplaces, inter-dealer bond brokers and dealers that provide data to the information processor in accordance with National Instrument 21-101, a complete description of the arrangements and the basis for these arrangements.

#### ***Exhibit K – Reporting to the Information Processor***

1. List all persons and entities that provide data to the information processor in accordance with the requirements of National Instrument 21-101.
2. Provide a complete set of all forms, agreements and other materials pertaining to the provision of data to the information processor.
3. A description of any specifications or criteria required of marketplaces, inter-dealer bond brokers or dealers who provide securities information to the information processor for collection, processing for distribution or publication. Identify those specifications or 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 or criteria.
4. For each instance during the past year in which any person or entity has been prohibited or limited to provide data by the information processor, indicate the name of each such person or entity and the reason for the prohibition or limitation.

#### ***Exhibit L - Access to the Services of the Information Processor***

1. A list of all persons and entities who presently subscribe or who have notified the information processor of their intention to subscribe to the services of the information processor.
2. The form of contract governing the terms by which persons may subscribe to the services of an information processor.
3. A description of any specifications or 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 or 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.
4. 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 M - Selection of Securities for which Information Must Be Reported to the Information Processor***

Where the information processor is responsible for making a determination of the data which must be reported, including the securities for which information must be reported in accordance with National Instrument 21-101, describe the manner of selection and communication of these securities. This description should include the following:

1. The criteria used to determine the securities for which information must be reported and the data which must be reported to the information processor.
2. The process for selection of the securities, including a description of the parties consulted in the process and the frequency of the selection process.
3. The process to communicate the securities selected and data to be reported to the marketplaces, inter-dealer bond brokers and dealers providing the information as required by National Instrument 21-101. The description should include where this information is located.

**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)".

\*\*\*\*\*

**19.** (1) Subject to subsection (2), this Instrument comes into force on July 1, 2012.

(2) Section 17 of this Instrument comes into force on December 31, 2012.