

**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

OMEGA SECURITIES INC.

APPLICATION OF STAFF OF THE ONTARIO SECURITIES COMMISSION

Application to Issue a Temporary Order

Subsections 127(5) and 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5

A. ORDERS SOUGHT

The applicant, Staff of the Ontario Securities Commission (“**Staff**”), requests that the Ontario Securities Commission (the “**Commission**”) make the following orders:

1. An Order that the registration of Omega Securities Inc. (“**OSI**”) be suspended for such period as is specified by the Commission, pursuant to subsection 127(5) and paragraph 1 of subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the “**Act**”);
2. An Order that trading in any securities by OSI cease for such period as is specified by the Commission, pursuant to subsection 127(5) and paragraph 2 of subsection 127(1) of the Act; and
3. Such other Order as the Commission considers appropriate in the public interest.

B. GROUND

The grounds for the request are:

1. OSI operates two Alternative Trading Systems (“**AT**”): Omega **AT** and Lynx **AT**.
2. The operations of **AT**s such as Omega **AT** and Lynx **AT** are governed by National Instrument 21-101 (Marketplace Operation) (“**NI 21-101**”) and its related companion policies.
3. Omega **AT** and Lynx **AT** may have failed to comply with Parts 7 and 11 of **NI 21-101** in four respects:
 - (i) Inaccurate identification of brokers participating in mid-point peg transactions;
 - (ii) Time stamp deficiencies;
 - (iii) Content discrepancies across OSI’s data feeds; and
 - (iv) Dissemination of data to certain subscribers prior to **TMX Information Processor (“TMX IP”)**.
4. While the mid-point peg transaction issue has been corrected by OSI, Omega **AT** and Lynx **AT** continue to inaccurately record, store, and disseminate information with respect to items 3(ii), 3(iii), and 3(iv), above.
5. As a result of OSI’s failure to comply with **NI 21-101**, OSI has failed to comply with its obligations pursuant to section 2.1 of the Act to provide “timely, accurate and efficient disclosure of information,” and, as a result, has frustrated the fundamental purposes of the Act.
6. Without timely, accurate and efficient disclosure of information:
 - (i) Regulators are unable to properly protect investors;

- (ii) Capital markets are prevented from operating in a fair and efficient manner;
and
 - (iii) Investors' confidence in capital markets is negatively affected.
7. Staff's investigation into this matter is continuing.
 8. The order sought by Staff is necessary to protect the public interest in light of the serious and ongoing potential breaches of Ontario securities law being committed by the Respondent.
 9. Subsections 127(1) and 127(5) of the Act.
 10. Such further and other grounds as counsel may advise and the Commission may permit.

C. EVIDENCE

The Application intends to rely on the following evidence at the hearing:

1. The affidavit of Alexandru Badea, investigator in the Enforcement Branch of the Commission, sworn November 9, 2017, together with the Exhibits attached thereto;
and
2. Such further and other materials as counsel may advise and the Commission may permit.

Date: November 13, 2017

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