

5.1.4 Amendments to NI 23-101 Trading Rules

**AMENDMENTS TO
NATIONAL INSTRUMENT 23-101 TRADING RULES**

1. **National Instrument 23-101 Trading Rules is amended by this Instrument.**
2. **National Instrument 23-101 Trading Rules is amended by replacing “shall” wherever it occurs with “must”.**
3. **Section 5.1 is amended by**
 - (a) **replacing “no person or company” with “a person or company”, and**
 - (b) **adding “not” before “execute a trade”.**
4. **Section 6.7 is amended by**
 - (a) **replacing “no person or company” with “a person or company”, and**
 - (b) **adding “not” before “send an order to an exchange”.**
5. **Section 6.8 is amended by adding “, except for paragraph 6.3(1)(c),” after “In Québec, this Part”.**
6. **Section 7.1 is amended by adding the following subsection:**
 - (3) If a recognized exchange has entered into a written agreement under section 7.2, the recognized exchange must adopt requirements, as determined necessary by the regulation services provider, that govern the recognized exchange and the conduct of the exchange’s members, and that enable the regulation services provider to effectively monitor trading on the exchange and across marketplaces..
7. **National Instrument 23-101 Trading Rules is amended by replacing section 7.2 with the following:**

7.2 Agreement between a Recognized Exchange and a Regulation Services Provider – A recognized exchange that monitors the conduct of its members indirectly through a regulation services provider must enter into a written agreement with the regulation services provider which provides that the regulation services provider will:

 - (a) monitor the conduct of the members of the recognized exchange,
 - (b) monitor the compliance of the recognized exchange with the requirements set under subsection 7.1(3), and
 - (c) enforce the requirements set under subsection 7.1(1)..
8. **National Instrument 23-101 Trading Rules is amended by adding the following section:**

7.2.1 Obligations of a Recognized Exchange to a Regulation Services Provider – A recognized exchange that has entered into a written agreement with a regulation services provider must

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

9. **Section 7.3 is amended by adding the following subsection:**

- (3) If a recognized quotation and trade reporting system has entered into a written agreement under section 7.4, the recognized quotation and trade reporting system must adopt requirements, as determined necessary by the regulation services provider, that govern the recognized quotation and trade reporting system and the conduct of the quotation and trade reporting system's users, and that enable the regulation services provider to effectively monitor trading on the recognized quotation and trade reporting system and across marketplaces..

10. **National Instrument 23-101 Trading Rules is amended by replacing section 7.4 with the following:**

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

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

11. **National Instrument 23-101 Trading Rules is amended by adding the following section:**

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

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

12. **Section 10.2 is amended by replacing “an agreement” with “a written agreement” before “with a regulation services provider that provides”.**

13. This Instrument comes into force on October 1, 2015.