

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 MarketAxess Canada Company – Proposed Change to Provide Canadian Clients Access to the LiquidityEdge Electronic Fixed Income Trading Platform – Notice of Approval

MARKETAXESS CANADA COMPANY

NOTICE OF APPROVAL OF

PROPOSED CHANGE TO PROVIDE CANADIAN CLIENTS

ACCESS TO THE LIQUIDITYEDGE ELECTRONIC FIXED INCOME TRADING PLATFORM

On July 31, 2020, the Ontario Securities Commission (the **OSC**) approved the amendment proposed by MarketAxess Canada Company (**MA**) to its Form 21-101F2 to provide Canadian clients access to the LiquidityEdge electronic fixed income trading platform operated by its U.S. affiliate LiquidityEdge LLC for purposes of trading U.S. Treasury securities.

In accordance with the *Process for the Review and Approval of the Information Contained in Form 21-101F2 and Exhibits Thereto*, a notice describing the proposed activity with Ontario subscribers of MA and requesting feedback on the proposed change was published on the OSC website on May 21, 2020 (the **Notice of Proposed Change**).

One comment letter was received in response to the Notice of Proposed Change. We summarize below the comment received and Staff's response.

Comment	Response
<p>The commenter indicated they support initiatives that provide Canadian market participants with increased and fair access to USTs and noted that the MA proposal would help cater the needs of Canadian market participants.</p> <p>The commenter indicated that, should MA wish to expand its list of eligible securities on the LE Platform to encompass Canadian fixed-income products, including USD denominated Canadian debt, this would warrant a separate review by the Canadian Securities Administrators (CSA), given the more pronounced impact this could have on market structure in Canada. The CSA should have a process to ensure that ATSs do not deviate from the exemptions from NI 21-101 they have been granted.</p>	<p>The proposed amendments to MA's Form 21-101F2 would give Canadian marketplace participants of MA the ability to enter orders for USTs on the MA platform, which is registered in a number of jurisdictions, including Ontario.</p> <p>Should MA wish to expand the list of securities available for trading by its Canadian marketplace participants on the LE Platform, this would be reviewed in accordance with the regular process for review of significant changes to Form 21-101F2. Consideration would be given to the fact that Canadian marketplace participants are dealing with MA, which is an ATS registered in Canada in a number of jurisdictions, including Ontario.</p>

MA will implement this approved change on August 14, 2020.