

Regulations and other acts

M.O., 2008-14

Order number V-1.1-2008-14 of the Minister of Finance dated 22 August 2008

Securities Act
(R.S.Q., c. V-1.1)

CONCERNING Regulation to amend Regulation 21-101 respecting marketplace operation

WHEREAS subparagraphs 1, 2, 3, 8, 9.1, 32 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1), amended by section 15 of chapter 15 of the statutes of 2007 and by section 170 of chapter 7 of the statutes of 2008, stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin de l'Autorité des marchés financiers, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the Regulation 21-101 respecting marketplace operation was made by decision no. 2001-C-0409 dated August 28, 2001 (Bulletin hebdomadaire vol. 32, no 35 of August 31, 2001);

WHEREAS there is cause to amend this regulation;

WHEREAS the draft Regulation to amend Regulation 21-101 respecting marketplace operation was published in the Bulletin de l'Autorité des marchés financiers, volume 4, no. 16 of April 20, 2007;

WHEREAS the Authority made, on July 18, 2008, by the decision no. 2008-PDG-0195, Regulation to amend Regulation 21-101 respecting marketplace operation;

WHEREAS there is cause to approve this regulation without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment Regulation to amend Regulation 21-101 respecting marketplace operation appended hereto.

August 22, 2008

MONIQUE JÉRÔME-FORGET,
Minister of Finance

Regulation to amend Regulation 21-101 respecting marketplace operation *

Securities Act
(R.S.Q., c.V-1.1, s. 331.1, par. (1), (2), (3), (8), (9.1), (32) and (34); 2007, c. 15; 2007, c. 15; 2008, c. 7; 2008, c. 24)

1. Section 1.1 of Regulation 21-101 respecting Marketplace Operation is amended:

(1) by deleting, in the definition of “subscriber”, the words “or company” and by adding, at the end, “, and the person’s representatives”;

(2) by deleting, in the definition of “information processor”, the words “or company”;

(3) by adding, in paragraph (b) of the definition of “recognized exchange”, the words “or authorized by the securities regulatory authority” after the word “organization”;

(4) by replacing, in the French text of the definition of “self-regulatory entity”, the word “Bourse” with the word “bourse”;

(5) by deleting, in the definition of “regulation services provider”, the words “or company”;

* Regulation 21-101 respecting Marketplace Operation, adopted pursuant to decision No. 2001-C-0409 dated August 28, 2001 (Bulletin hebdomadaire vol. 32, No. 35 dated August 31, 2001), was amended solely by the regulation adopted pursuant to decision No. 2002-C-0128 dated March 28, 2002 (Bulletin hebdomadaire vol. 33, No. 23 dated June 14, 2002) and by the regulation approved by Ministerial Order No. 2007-01 dated March 6, 2007 (2007, G.O. 2, 1263).

(6) by replacing the definition of “transaction fee” with the following:

“ “trading fee” means the fee that a marketplace charges for execution of a trade on that marketplace;”;

(7) by deleting, in the definition of “inter-dealer bond broker”, the words “or company”;

(8) by deleting, in the definition of “marketplace”, the words “or company”;

(9) by replacing the definition of “member” with the following:

“ “member” means, for a recognized exchange, a person

(a) holding at least one seat on the exchange, or

(b) that has been granted direct trading access rights by the exchange and is subject to regulatory oversight by the exchange,

and the person’s representatives;”;

(10) by deleting, in the definition of “order”, the words “or company”;

(11) by replacing, in the French text of the definition of “alternative trading system”, “exchange-traded security”, “market participant” and “recognized quotation and trade reporting system”, the word “Bourse” with the word “bourse”;

(12) by replacing the definition of “foreign exchange-traded security” with the following:

“ “foreign exchange-traded security” means a security that is listed on an exchange, or quoted on a quotation and trade reporting system, outside of Canada that is regulated by an ordinary member of the International Organization of Securities Commissions and is not listed on an exchange or quoted on a quotation and trade reporting system in Canada;”;

(13) by replacing, in the French text of the definition of “corporate debt security” and “government debt security”, the word “Bourse” with the word “bourse”;

(14) by deleting, in the definition of “user”, the words “or company” and by adding, at the end, the words “, and the person’s representatives”.

2. Section 7.5 of the Regulation is amended by replacing the words “an accurate and timely consoli-

dated feed” with the words “an accurate consolidated feed in real-time”.

3. Section 8.3 of the Regulation is amended by replacing the words “a consolidated feed” with the words “an accurate consolidated feed”.

4. Section 8.5 of the Regulation is replaced with the following:

“8.5. Filing Requirements for the Information Processor

(1) The information processor shall 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.

(2) The information processor shall 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 as required by the Regulation, including where the list of designated securities can be found.”.

5. The title of Part 10 and section 10.1 of the Regulation are replaced with the following:

“PART 10 DISCLOSURE OF TRADING FEES FOR MARKETPLACES

10.1. Disclosure of Trading Fees by Marketplaces

A marketplace shall make its schedule of trading fees publicly available.”.

6. Section 11.1 of the Regulation is amended by adding, at the end, the words “in electronic form”.

7. Section 11.2 of the Regulation is amended:

(1) in paragraph (1):

(a) by replacing the introductory phrase with the following:

“As part of the records required to be maintained under section 11.1, a marketplace shall include the following information in electronic form:”;

(b) by deleting, in subparagraph (b), the words “, in electronic form”;

(2) by deleting paragraphs (2) and (3).

8. The Regulation is amended by inserting, after section 11.2, the following section:

“11.2.1. Transmission in Electronic Form

A marketplace shall transmit

(a) to a regulation services provider, if it has entered into an agreement with a regulation services provider in accordance with Regulation 23-101 respecting Trading Rules, the information required by the regulation services provider, within ten business days, in electronic form; and

(b) to the securities regulatory authority the information required by the securities regulatory authority under securities legislation, within ten business days, in electronic form.”.

9. Section 12.2 of the Regulation is amended by replacing the words “Paragraphs 12.1(b) and 12.1(c) do not” with the words “Paragraph 12.1(b) does not”.

10. The Regulation is amended by replacing, wherever they appear, the words “person or company” and “persons or companies” with, respectively, the words “person” and “persons”.

11. The Regulation is amended by replacing, wherever they appear in the French text, the words “membre de la direction” and “membres de la direction” with, respectively, the words “dirigeant” and “dirigeants”.

12. The Regulation is amended by replacing, wherever they appear in the French text, the words “Bourse” and “Bourses” with, respectively, the words “bourse” and “bourses”.

13. This Regulation comes into effect on September 12, 2008.

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