

REGULATION TO AMEND NATIONAL INSTRUMENT 23-101 TRADING RULES

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (2), (3), (8), (11), (26) and (32))

1. Section 3.1 of National Instrument 23-101 Trading Rules is amended by replacing paragraph (2) with the following:

“(2) In Alberta, British Columbia, Ontario, Québec and Saskatchewan, instead of subsection (1), the provisions of the Securities Act (R.S.A. 2000, c. S-4), the Securities Act (R.S.B.C. 1996, ch. 418), the Securities Act (R.S.O. 1990, c. S.5), the Securities Act (R.S.Q., c.V-V-1.1) and The Securities Act, 1988 (S.S. 1988-89, c. S-42.2), respectively, relating to manipulation and fraud apply.”.

2. Section 7.2 of the National Instrument is amended by replacing, in paragraph (a), “recognized exchange and its members” with “members of a recognized exchange”.

3. Section 7.4 of the National Instrument is amended by replacing, in paragraph (a), “recognized quotation and trade reporting system and its users” with “users of a recognized quotation and trade reporting system”.

4. Section 11.1 of the National Instrument is amended by inserting the following paragraph:

“(2) A dealer or inter-dealer bond broker is exempt from this Part if the dealer or inter-dealer bond broker complies with similar requirements, for any securities specified, established by a regulation services provider and approved by the applicable securities regulatory authority.”.

5. Section 11.2 of the National Instrument is amended:

(1) in paragraph 1:

(a) by replacing “for securities” with “for equity, fixed income and other securities identified by a regulation services provider”;

(b) by inserting the following subparagraphs at the end and making the necessary changes:

“(r) an insider marker; and

(s) any other markers required by a regulation services provider.”;

(2) by replacing paragraphs (5) and (6) with the following:

“(5) **Transmittal of Order Information** - A dealer and inter-dealer bond broker shall transmit to a securities regulatory authority or a regulation services provider the information required by the securities regulatory authority or the regulation services provider, within 10 business days, in electronic form as required by a securities regulatory authority or the regulation services provider.

(6) **Electronic Form** – The record kept by the dealer and inter-dealer bond broker under subsections (1) through (4) and the transmission of information to a securities regulatory authority or a regulation services provider under subsection (5) shall be in electronic form by January 1, 2010.

(7) **Record preservation requirements** – A dealer and an inter-dealer bond broker shall keep all records for a period of not less than seven years from the creation of a record referred to in this section, and for the first two years in a readily accessible location.”.

6. This Regulation comes into force on the day of its publication in the *Gazette officielle du Québec*.