

IIROC NOTICE

Marketplace Notice - Omega ATS

Please distribute internally to:
Legal and Compliance
Trading

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LAUNCH DATE FOR TRADING TSX VENTURE LISTED SECURITIES ON OMEGA ATS

Summary

Omega ATS (“Omega”) has announced that effective Monday, November 17, 2008, Omega will support trading of TSX Venture (“TSXV”) listed securities. Omega has indicated that, at launch, the Omega system will support trading in all TSXV-listed equity securities.

Effective June 1, 2008, Market Regulation Services Inc. (“RS”) merged with the Investment Dealers Association of Canada (“IDA”) to form the Investment Industry Regulatory Organization of Canada (“IIROC”). IIROC adopted the Universal Market Integrity Rules (“UMIR”) as the rules of IIROC governing trading on marketplaces for which IIROC acts as the regulation services provider and IIROC adopted the guidance on the interpretation of UMIR previously published by RS. As a result of the merger, references to “RS” in the Market Integrity Notices mentioned in this Rules Notice should also include IIROC.

Launch Information

Trading in TSXV-listed securities will be available on the Omega system from 9:30 a.m. until 4:00 p.m. (Toronto time). Additional information regarding Omega, including information on connectivity, testing and data dissemination, can be obtained from Omega by contacting Raymond Tung at 416.646.2428 or support@omegaats.com.



Reference should also be made to the “Summary Comparison of Current Equity Marketplaces” document available under the “Quick Links” section of the IIROC website at www.iiroc.ca for additional information on the basic features of all IIROC regulated marketplaces.

Guidance on Application of UMIR

RS has issued guidance on the application of UMIR to the trading by Participants and Access Persons of securities that trade on multiple marketplaces, including:

- Market Integrity Notice 2006-017 – Guidance – *Securities Trading on Multiple Marketplaces* (September 1, 2006);
- Market Integrity Notice 2006-020 – Guidance – *Compliance Requirements For Trading On Multiple Marketplaces* (October 30, 2006);
- Market Integrity Notice 2007-015 – Guidance – *Specific Questions Related to Trading on Multiple Marketplaces* (August 10, 2007);
- Market Integrity Notice 2007-021 – Guidance – *Expectations Regarding “Best Price” Obligations* (October 24, 2007);
- Market Integrity Notice 2008-009 – Request for Comments – *Provisions Respecting the “Best Price” Obligations* (May 16, 2008);
- Market Integrity Notice 2008-008 – Amendment Approval – *Provisions Respecting “Off-Marketplace” Trades* (May 16, 2008); and
- Market Integrity Notice 2008-010 – Guidance – *Complying with “Best Price” Obligations* (May 16, 2008).

Reference should be made to Rule 5.2 of UMIR as well the above referenced Market Integrity Notices for additional guidance respecting trading in securities that are eligible for trading on more than one marketplace.

Current Best Price Obligation under UMIR

Under Rule 5.2 of UMIR, a Participant is required to make reasonable efforts to fill better priced orders displayed on a “protected marketplace” at the time the Participant executes at an inferior price on another marketplace or foreign organized regulated market. Omega is a “protected marketplace” eligible to trade TSXV-listed securities. As such, a Participant is required to consider, and make reasonable efforts to fill, better priced orders on Omega when executing a trade at an inferior price on another marketplace or foreign organized regulated market.

The Canadian Securities Administrators (“CSA”) recently published notice of proposed amendments to National Instrument 21-101 – *Marketplace Operation* and National Instrument



23-101 – *Trading Rules* that include proposed amendments related to trade-through protection (the “Proposed Amendments”)¹. Depending upon the final form of the trade-through regime contained in the Proposed Amendments, conforming changes may be required to UMIR, and in particular, the “best price” obligation under Rule 5.2. IIROC expects that the amendments contained in the above-referenced amendment Notices and related guidance will be in effect until changes implementing the final form of the CSA’s trade-through regime become effective. **Until such time, a Participant must undertake to comply with the current “best price” obligation under Rule 5.2 of UMIR.**

¹ See (2008) 31 OSCB 10033.