

10.9 Power of Market Integrity Officials

- (1) A Market Integrity Official may, in governing trading in securities on the marketplace:
 - (a) delay, halt or suspend trading in a security at any time and for such period of time as such Market Integrity Official may consider appropriate in the interest of a fair and orderly market;
 - (b) refuse to allow any bid price or ask price to be recorded at any time if, in the opinion of such Market Integrity Official, such quotation is unreasonable or not in compliance with UMIR or any Policy;
 - (c) settle any dispute arising from trading in securities on the marketplace where such authority is not otherwise provided for in any requirement governing trading on the marketplace;
 - (d) vary or cancel any trade which, in the opinion of such Market Integrity Official, is unreasonable or not in compliance with UMIR or any Policy;
 - (e) vary or cancel any trade upon application of the buyer and seller provided such application has been made by the end of trading on the day following the day on which the trade was made or such earlier time as may be established in any Marketplace Rule of the marketplace on which the trade was executed;
 - (f) in respect of any trade which has not complied with the requirements of Part 5, correct the price of the trade to a price at which the trade would have complied with such requirement, or
 - (g) require the Participant or Access Person to satisfy any order included in the disclosed volume if the trade by the Participant or Access Person failed to comply with requirements of section 6.4 of the Trading Rules;
 - (g.1) in respect of any trade of a principal order or non-client order that has not complied with the requirements of Rule 5.3, require the Participant to satisfy the client order at the price and up to the volume of the trade which failed to comply with the requirements of Rule 5.3.
 - (h) provide to any person an interpretation of any provision of UMIR and any Policy in accordance with the purpose and intent of the provision and shall ensure that any such interpretation is observed by such person;
 - (i) exercise such powers as are specifically granted to a Market Regulator or Market Integrity Official by UMIR and any Policy; and
 - (j) exercise such powers as are specifically granted to the Market Regulator by the marketplace where the marketplace is entitled to grant such powers.

- (2) In determining whether any quotation or trade in a security is unreasonable, the Market Regulator shall consider:
 - (a) prevailing market conditions;
 - (b) the last sale price of the security as displayed in a consolidated market display;

- (c) patterns of trading in the security on the marketplace including volatility, volume and number of transactions;
 - (d) whether material information concerning the security is in the process of being disseminated to the public; and
 - (e) the extent of the interest of the person for whose account the order is entered in changing the price or quotation for the security.
- (3) In connection with the exercise of a power under this Rule, upon the verbal, written or electronic request of the Market Integrity Official, the Subject Person shall, within the time period specified by the Market Integrity Official:
- (a) provide any information, document or records in the possession or control of the person that the Market Regulator determines may be relevant to the exercise of a power by the Market Regulator and such information, document or records shall be provided in such manner and form, including electronically, as may be required by the Market Regulator; and
 - (b) allow the inspection of, and permit copies to be taken of, any information, document or records in the possession or control of the person that the Market Regulator determines may be relevant to the exercise of a power by the Market Regulator.
- (4) If a Market Integrity Official has provided notice to a Subject Person pursuant to subsection (3), the Subject Person shall, notwithstanding any policy or procedure of the Subject Person with respect to the retention of information, documents or records, retain any document or record in the possession or control of the Subject Person that is relevant to the exercise of the power by the Market Integrity Official for a period of 30 days from the date of the notice or such other period as may be specified by the Market Regulator.

Defined Terms:

NI 21-101 section 1.1 - "order"

NI 21-101 section 1.4 – Interpretation -- "security"

UMIR section 1.1 – "client order", "consolidated market display", "disclosed volume", "document", "last sale price", "Market Integrity Official", "Market Regulator", "marketplace", "Marketplace Rules", "non-client order", "Participant", "Policy", "principal order", "Subject Person" and "UMIR"

UMIR section 1.2(2) – "person" and "trade"

Regulatory History:

Effective March 11, 2005, the applicable securities commissions approved amendments to section 10.9 to add subsections (3) and (4). See Market Integrity Notice [2005-008](#) – Notice of Amendment Approval – "Provisions Respecting Impeding or Obstructing A Market Regulator" (March 11, 2005).

Effective March 9, 2007, the applicable securities commissions approved an amendment to subsection (1) of Rule 10.9 to replace the word "disallow" with the word "vary" in clause (d) and to add clause (g.1). See Market Integrity Notice [2007-002](#) – "Provisions Respecting Competitive Marketplaces" (February 26, 2007).

Effective May 16, 2008, the applicable securities commissions approved an amendment to clause (g) of subsection (1) of Rule 10.9 to replace the phrase "volume of the trade which" with "disclosed volume if the trade". See Market Integrity Notice [2008-008](#) – "Provisions Respecting "Off-Marketplace" Trades" (May 16, 2008).

Effective December 9, 2013, the applicable securities commissions approved amendments to the French version of UMIR. See IIROC Notice [13-0294](#) - "Rules Notice – Notice of Approval and Implementation – UMIR – Amendments to the French version of UMIR" (December 9, 2013).

Effective September 18, 2015, the applicable securities commissions approved an amendment to clause (g) of subsection (1) of Rule 10.9. See IIROC Notice [15-0211](#) - Notice of Approval – "Provisions

Respecting Unprotected Transparent Marketplaces and the Order Protection Rule (September 18, 2015).

Effective September 1, 2016, the applicable securities commissions approved an amendment to make editorial changes to Rule 10.9. See IIROC Notice [16-0122](#) – **“Implementation of the consolidated IIROC Enforcement, Examination and Approval Rules”** (June 9, 2016).

Guidance: See IIROC Notice [12-0040](#) - **“Guidance Note – UMIR - Guidance Respecting the Implementation of Single-Stock Circuit Breakers”** (February 2, 2012).

Guidance: See IIROC Notice [12-0258](#) - **“Rules Notice – Guidance Note – UMIR – Guidance on Regulatory Intervention for the Variation or Cancellation of Trades”** (August 20, 2012).

Guidance: See IIROC Notice [13-0297](#)– **“Variation and Cancellation of Odd Lot Trades”** (December 10, 2013).

Guidance: See IIROC Notice [14-0170](#) - **“Guidance Respecting the Expansion of Single-Stock Circuit Breakers”** (July 10, 2014), which repeals and replaces IIROC Notice [12-0040](#).