

April 29, 2003

2003-009

Suggested Routing: Institutional, Retail, Trading, Legal & Compliance

TRADES ON AN “ORGANIZED REGULATED MARKET”

Participants are reminded that Rule 6.4 of the Universal Market Integrity Rules (“UMIR”) prohibits a Participant from trading or participating in a trade of a security that is listed on an exchange or quoted on a quotation and trade reporting system other than through the entry of an order on a marketplace unless the trade falls within one of the enumerated exemptions within Rule 6.4. In particular, clause (d) permits a trade to be executed on another exchange or organized regulated market that publicly disseminates details of trades in that market and clause (e) permits a trade to be executed as principal with a non-Canadian account or as agent if both the purchaser and seller are non-Canadian accounts provided such trades are reported to a marketplace or a stock exchange or an organized regulated market that publicly disseminates details of trades in that market.

For a market to be an “organized regulated market”, the market must be:

- regulated by a self-regulatory organization, or
- recognized to self-regulate its own market.

The provision of trade transparency is a cornerstone of National Instrument 21-101, *Marketplace Operation*. To ensure public dissemination, trades need to appear on a consolidated tape that is provided to data vendors, information processors or persons providing similar functions for that market such that information on the trade would be available to securities dealers.

A Participant has the obligation to ensure that the exchange or organized regulated market will publicly disseminate details of any trade made on or reported to that exchange or organized regulated market.

For additional information regarding this Market Integrity Notice, please contact James E. Twiss, Senior Counsel, Market Surveillance at 416-646-7277; Noelle Wood, Senior Counsel, Market Surveillance at 416-646-7275; or the Market Surveillance Section of RS in Toronto at 416-646-7220 or in Vancouver at 604-603-6505 or e-mail RS at inquiries@regulationservices.com.

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