

May 5, 2003

2003-010

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

## TRADES IN DEBT SECURITIES

Participants are reminded that trades in debt securities that are listed on an exchange or quoted on a quotation and trade reporting system (“QTRS”) must be executed on a marketplace pursuant to Rule 6.4 of the Universal Market Integrity Rules (“UMIR”).

UMIR applies to debt securities traded on a marketplace that has retained Market Regulation Services (“RS”) as its regulation services provider. In particular, trades in debt securities that are listed on either the Toronto Stock Exchange (“TSX”) or the TSX Venture Exchange are subject to UMIR. Although patterned after the former TSX Rule 4-102, **Rule 6.4 does not contain an exemption to permit an off-marketplace trade for a listed debt security where the trade exceeds \$10,000 principal amount or can be completed at a better price off-marketplace.** Rule 6.4 prohibits a Participant from trading or participating in a trade of a debt security that is listed on an exchange or quoted on a QTRS 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.

The requirements in Rule 6.4 apply to all trades by a Participant, including those originating in either of their Equity or Fixed Income Departments.

For additional information regarding this Market Integrity Notice, please contact 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 604-643-6505 or e-mail RS at [inquiries@regulationservices.com](mailto:inquiries@regulationservices.com).

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