



## **IT IS ORDERED:**

**1. THAT**, subject to the terms and conditions set out in Appendix “A” to this order, ICE Clear Canada be designated as a recognized clearing house pursuant to Subsection 16(1) of the Act.

**2. THAT**, effective January 2, 2008, this Order replaces Commission Order No. 5265 dated December 21, 2006.

## **BY ORDER OF THE COMMISSION**

Director - Legal

Appendix “A” to Order Number 5719 effective the 2nd day of January 2008.  
Terms and Conditions

### **Notice of Share Ownership**

**1. In the event that ICE Clear Canada intends to amend its Articles of Incorporation, the Commission will be given notice prior to any amendment being approved by the shareholder(s).**

2. ICE Clear Canada shall provide the Commission with a minimum of 21 days notice respecting the acquisition of voting shares of ICE Clear Canada by any entity other than ICE Futures Canada.

### **Corporate Governance**

3. The governance structure of ICE Clear Canada shall provide for:

a. fair and meaningful representation on its governing body, in the context of the nature and structure of ICE Clear Canada;

b. appropriate qualifications, remuneration, conflict of interest provisions and limitation of liability and indemnification protections for directors and officers and employees of ICE Clear Canada generally.

4. ICE Clear Canada shall maintain conflict of interest rules and/or policies for the Board, all committees and ICE Clear Canada staff. Such rules and/or policies shall extend to anyone in a position to affect the outcome of a decision and shall provide for all such persons to be required to declare their interests and to foresee the possibility that a person may withdraw from a matter.

### **Regulation**

5. The Board of Directors of the ICE Clear Canada shall be responsible, for all matters relating to surveillance matters and ensuring compliance by the Clearing Participants with the provisions of the Rules.

6. ICE Clear Canada shall advise the Commission in writing of the names and background of each person appointed to the Board of Directors.

7. ICE Clear Canada shall promptly provide a written report to the Commission detailing any misconduct or fraud on the part of a Clearing Participant, or such other circumstances that may result in material loss or damage to ICE Clear Canada or its operations, including all situations where the solvency of a Clearing Participant is at risk.

## **Systems**

8 For each of its systems that support the operations of ICE Clear Canada, ICE Clear Canada shall, or in the case where such systems are owed by third parties, ICE Clear Canada shall ensure that those third parties shall: :

- (a) Make reasonable current and future capacity estimates;
- (b) Conduct necessary stress tests of critical systems on a reasonably frequent basis to determine the ability of those systems to process transactions in an accurate, timely and efficient manner;
- (c) Develop and implement reasonable procedures to review and keep current the development and testing methodology of those systems;
- (d) Review the vulnerability of those systems and computer operations to internal and external threats including physical hazards and natural disasters;
- (e) Establish reasonable contingency and business continuity plans; and
- (f) Notify the Commission, in writing, of any material systems failures or changes that impact clearing operations.

## **Purpose of Rules**

9. ICE Clear Canada shall, subject to the terms and conditions of this Order and the jurisdiction and oversight of the Commission in accordance with the laws of the Province of Manitoba, establish such rules, regulations, policies, procedures, practices or other similar instruments as are necessary or appropriate to govern and regulate all aspects of its business and internal affairs and shall in so doing specifically govern and regulate so as to:

- a. seek to ensure compliance with the Act; and
- b. seek compliance with the terms and conditions of this order as well as any regulations, rules, policies or orders issued by the Commissions.

## **Due Process**

10. ICE Clear Canada shall ensure that its rules shall ensure that the requirements of ICE Clear Canada relating to its facilities, the imposition of limitations on conditions of access, and denial of access are fair and reasonable.

## **Information Sharing**

11. ICE Clear Canada and ICE Futures Canada shall cooperate by the sharing of necessary and reasonably relevant information, with the Canadian Investor Protection Fund and other Canadian exchanges, recognized self-regulatory organizations and regulatory authorities responsible for the supervision of clearing activities, subject to the applicable laws concerning the sharing of information and the protection of personal information.

## **Additional Requirements**

12. ICE Clear Canada shall notify the Commission prior to providing any regulatory duties or regulatory operations to other exchanges, self-regulatory organization, or other persons.

13. ICE Futures Canada shall obtain prior written approval from the Commission before subcontracting a portion of its regulatory duties or regulatory functions to other self-regulatory organizations.

14. ICE Clear Canada shall provide the Commission and its staff with such information as it may, from time to time, request.

## **ICE Futures Canada to facilitate ICE Clear Canada in its compliance requirements**

15. ICE Futures Canada shall not take any action that has the effect, either directly or indirectly, of interfering with the ability of ICE Clear Canada to comply with the terms and conditions of this order or with any other requirement applying to a recognized clearing house under the Act.

ALL OF WHICH ARE INCORPORATED AS TERMS AND CONDITIONS OF THE ORDER  
ISSUED BY THE COMMISSION