

**THE SECURITIES ACT**

)

**Order No. 5728**

)

**Section 31.1(4)**

)

**June 26, 2008**

**INVESTMENT INDUSTRY REGULATORY  
ORGANIZATION OF CANADA (IIROC)**

**WHEREAS:**

(A) The Commission issued Order No. 4988 dated January 30, 2006 (the Original Order) to require Market Regulation Services (RS):

1. to waive the requirement for a subscriber of an alternative trading system (ATS) to execute the RS confirmation and representation forms and the acknowledgements described in section 3.6 of the Regulation Services Agreements (RSA) if:

(i) the subscriber signs a release made and executed in favour of, and deliver to, RS in the form of the following:

RS, its directors, officers, employees, agents and any other person acting under its authority shall not be liable to the Subscriber or any of its Regulated Persons (as defined in the UMIR) for any loss, damage, cost, expense or other liability or claim arising from any act or omission, in good faith, in connection with RS's performance of services as a Regulation Services Provider (as defined in NI 21-101); or

(ii) The ATS has executed an indemnity that is consistent with the language in section 11.10 of UMIR and has taken steps, satisfactory to RS acting reasonably, to ensure that it will be able to satisfy the indemnity, and

2. to continue to monitor and enforce its rules and requirements against subscribers to an ATS with which it has agreed to act as the RSP and against their directors, officers and employees.

(B) IIROC has applied to the Commission for an Order varying the original Decision.

(C) The Applicant has represented to the Commission that:

1. On June 1, 2008, RS combined with the Investment Dealers Association of Canada (IDA) to become IIROC.

2. Like RS, IIROC is a regulation services provider (RSP) under National Instrument 21-101 Marketplace Operation and National Instrument 23-101 Trading Rules (the ATS Rules). It has been recognized by the British Securities Commission, the Alberta Securities Commission, the Saskatchewan Financial Services Commission, the Manitoba Securities Commission, the Ontario

Securities Commission and l' Autorité des marchés financiers, Newfoundland and Labrador, Securities Division, Department of Government Services and Lands, Nova Scotia Securities Commission and the New Brunswick Securities Commission.

3. Because of the combination with the IDA, IIROC has requested that the Commission vary the Original Decision to reflect its new name and the securities regulatory authorities that have recognized it as a self-regulatory organization or self-regulatory body.

(D) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the Order requested.

**ITS IS ORDERED:**

**THAT:**

1. Pursuant to s. 31.1(4) of The Securities the Original Decision be varied as follows:

a) Each reference to Market Regulation Services Inc. be deleted and replaced with a reference to Investment Industry Regulatory Organization of Canada;

b) Each reference to RS be deleted and replace with a reference to IIROC;

c) Paragraph 3 be deleted and replace by the following:

*“IIROC is an RSP under the ATS Rules and has been recognized by the British Columbia Securities Commission, the Saskatchewan Financial Services Commission (Securities Division), the Manitoba Securities Commission, the Ontario Securities Commission and l' Autorité des marchés financiers, Newfoundland and Labrador, Securities Division, Department of Government Services and Lands, Nova Scotia Securities Commission and the New Brunswick Securities Commission.”*

d) Paragraphs 5 and 6 be deleted.

2. This Order is effective June 1, 2008.

**BY ORDER OF THE COMMISSION**

**Director - Legal**