

1.1.6 OSC Staff Notice 23-703 – Order Protection Rule – Industry Roundtable

OSC STAFF NOTICE 23-703

ORDER PROTECTION RULE – INDUSTRY ROUNDTABLE

On May 15, 2014, the Canadian Securities Administrators (CSA) published a CSA notice and request for comment related to proposed amendments to National Instrument 23-101 *Trading Rules* (NI 23-101) and the related Companion Policy 23-101CP (23-101CP), proposed plans regarding a pilot program prohibiting the payment of rebates by marketplaces and a proposed data fee review methodology (together known as the Proposed Amendments).

The Proposed Amendments are intended to address certain costs and inefficiencies resulting from or associated with the Order Protection Rule (OPR). The current OPR necessitates that all better-priced orders be executed before inferior-priced orders regardless of the marketplace on which the order is displayed. Under the Proposed Amendments, orders would only be protected from trade-through where displayed on a marketplace that meets or exceeds a market share threshold. The comment period for the Proposed Amendments closes on September 19, 2014.

The Ontario Securities Commission intends to hold a roundtable, subsequent to the end of the public comment process, in order to further dialogue with interested stakeholders regarding this important policy initiative. The roundtable will provide an opportunity to discuss submissions made to the Commission during the comment period and to engage in an open discussion about the proposals being considered and the issues identified.

Interested parties wishing to participate in the discussion at the roundtable must submit a comment letter in response to the Proposed Amendments on or before September 19, 2014, and should expressly indicate a desire to participate.

The roundtable will take place in the Fall of 2014, and additional details will be provided when available, including a list of parties who will participate.

Questions regarding this notice may be directed to:

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