

August 20, 2003

No. 2003-017

*Suggested Routing: Trading, Legal & Compliance*

## TRADES IN LISTED SECURITIES OR QUOTED SECURITIES

### Rule Requirement

Rule 6.4 of the Universal Market Integrity Rules (“UMIR”) requires that a Participant, whether acting as principal or agent, participate in a trade by the entry of an order on a marketplace, subject to specific exemptions enumerated in the rule.

The rule applies to trading in any security listed on an exchange (“Exchange”) or quoted on a Quotation and Trade Reporting System (“QTRS”) recognized by or registered with a Canadian securities regulatory authority. Currently, if a security is listed on the Toronto Stock Exchange or the TSX Venture Exchange or is quoted on the Canadian Trading and Quotation Systems Inc. (“CNQ”), Participants are obliged, subject to the exemptions in Rule 6.4, to trade in these securities by the entry of orders on a marketplace.

Rule 6.4 applies to each dealer that is a Participant for the purposes of UMIR. A dealer is a Participant if the dealer is a member of an Exchange, user of a QTRS or a subscriber to an Alternative Trading System (“ATS”). Rule 6.4 applies to trading by a Participant in listed or quoted securities whether or not the Participant has trading access to the Exchange or QTRS where the security is listed or quoted. If a Participant does not have access to an appropriate marketplace where the security is listed or quoted, the Participant must utilize the services of another Participant that does have access, with the order being considered a jitney order for the purposes of UMIR.

**As CNQ commenced operations as a QTRS on July 25, 2003, Participants are reminded that all trades in securities that are quoted on CNQ must be made on a marketplace unless the trade is exempted from this requirement by the provisions of Rule 6.4.** A list of securities quoted on CNQ may be found on their website, [cnq.ca](http://cnq.ca).

## **Questions**

Questions concerning this notice may be directed by telephone to James E. Twiss (Tel. 416-646-7277) or Michael Brady (Tel. 416-646-7280), by fax (Fax. 416-646-7265), or by mail Market Regulation Services Inc., Suite 900, P.O. Box 939, 145 King Street West, Toronto, Ontario, M5H 1J8.

ALEXANDER DASCHKO  
VICE PRESIDENT, OPERATIONS,  
GENERAL COUNSEL AND SECRETARY