



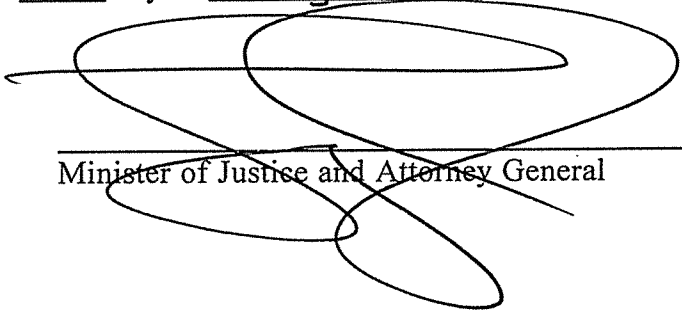
Province of Saskatchewan

Registrar of Regulations	
Filed	AUG 18 2016
SR	75/2016

Minister's Order

The Minister of Justice and Attorney General, pursuant to section 7 of *The Securities Commission (Regulation Procedures) Regulations*, approves *The Securities Commission (Adoption of National Instruments, Trading Rules) Amendment Regulations, 2016* in accordance with the attached Schedule.

Dated at the City of Regina, the 17 day of August, 2016.

  
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Minister of Justice and Attorney General

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(For administrative purposes only)

Authority:

*The Securities Commission (Regulation Procedures) Regulations - section 7*



**Province of Saskatchewan**

**Commission Order**

The Financial and Consumer Affairs Authority of Saskatchewan, pursuant to section 154 of *The Securities Act, 1988*, makes *The Securities Commission (Adoption of National Instruments, Trading Rules) Amendment Regulations, 2016* in accordance with the attached Schedule.

Dated at the City of Regina, the 27<sup>th</sup> day of July, 2016.

Chairperson  
Financial and Consumer Affairs Authority of  
Saskatchewan

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(For administrative purposes only)

## SCHEDULE

### Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments, Trading Rules) Amendment Regulations, 2016*.

### R.R.S. c.S-42.2 Reg 3, Part XXIII amended

2 Part XXIII of the Appendix to *The Securities Commission (Adoption of National Instruments) Regulations* is amended:

(a) in section 1.1:

(i) in the definition of “automated functionality” in the portion preceding clause (a) by striking out “automated functionality” and substituting “automated trading functionality”;

(ii) by repealing the definition of “directed-action order” and substituting the following:

“ ‘directed-action order’ means an order for the purchase or sale of an exchange-traded security, other than an option, that,

(a) when entered on or routed to a marketplace, is to be immediately

(i) executed against a displayed order with any remainder to be booked or cancelled; or

(ii) placed in an order book;

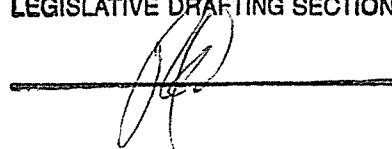
(b) is marked as a directed-action order; and

(c) is entered on or routed to a marketplace

(i) to execute against a best-priced displayed order, or

(ii) at the same time that another order is entered on or routed to a marketplace to execute against any protected order with a better price than the entered or routed order”;

**APPROVED**  
**LEGISLATIVE DRAFTING SECTION**



July 14, 2016 - 2:30 p.m.

**(iii) in the definition of “protected bid” by repealing paragraph (a) and substituting the following:**

“(a) that is displayed on a marketplace that provides automated trading functionality and

(i) the marketplace meets or exceeds the market share threshold as set for the purposes of this definition by the regulator, or in Québec, the securities regulatory authority; or

(ii) if the marketplace is a recognized exchange, the bid is for a security listed by and traded on that recognized exchange; and”;

**(iv) in the definition of “protected offer” by repealing paragraph (a) and substituting the following:**

“(a) that is displayed on a marketplace that provides automated trading functionality and

(i) the marketplace meets or exceeds the market share threshold as set for the purposes of this definition by the regulator, or in Québec, the securities regulatory authority; or

(ii) if the marketplace is a recognized exchange, the offer is for a security listed by and traded on that recognized exchange; and”;

**(b) in subsection 6.3(2) by striking out “a marketplace that routes an order to another marketplace must immediately notify” and substituting “the marketplace that is executing the transaction or routing the order for execution must immediately notify the following of the failure, malfunction or material delay”;**

**(c) in subsection 6.3(3) by adding “displaying a protected order” after “concludes that a marketplace”;**

**(d) by repealing section 6.5 and substituting the following:**

**“6.5 Locked or Crossed Orders -** A marketplace participant or a marketplace that routes or reprices orders must not intentionally enter a displayed order on a marketplace that is subject to section 7.1 of NI 21-101, at a price that,

(a) in the case of an order to purchase, is the same as or higher than the best protected offer; or

(b) in the case of an order to sell, is the same as or lower than the best protected bid”;

**(e) by adding the following section after section 6.6:**

**“6.6.1 Trading Fees**

(1) In this section, ‘exchange-traded fund’ means a mutual fund,



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- (a) the units of which are listed securities or quoted securities, and
  - (b) that is in continuous distribution in accordance with applicable securities legislation.
- (2) A marketplace that is subject to section 7.1 of NI 21-101 must not charge a fee for executing an order that was entered to execute against a displayed order on that marketplace greater than
- (a) \$0.0030 per security traded for an equity security, or per unit traded for an exchange-traded fund, if the execution price of each security or unit traded is greater than or equal to \$1.00; or
  - (b) \$0.0004 per security traded for an equity security, or per unit traded for an exchange-traded fund, if the execution price of each security or unit traded is less than \$1.00”; **and**
- (f) in section 6.7 by striking out “better-priced orders on a marketplace” and substituting “better-priced protected orders”.**

**Coming into force**

- 3(1) Subject to subsection (2), these regulations come into force on the day on which they are filed with the Registrar of Regulations.
- (2) Clauses 2(a)(iii) and (iv) of these regulations come into force on October 1, 2016.

