

## CSA Notice Regarding *Coordinated Blanket Order 24-930 Exemption from certain filing requirements of National Instrument 24-101 Institutional Trade Matching and Settlement*

June 15, 2023

### Introduction

On June 15, 2023, the Canadian Securities Administrators (CSA) published a temporary exemption on the applicability of section 4.1 of National Instrument 24-101 *Institutional Trade Matching and Settlement* (NI 24-101) for registered dealers and advisers (**Registered Firms**) with respect to the exception reporting requirement of NI 24-101 (**Exception Reporting Requirement**). The CSA has implemented the relief through local blanket orders that are substantively harmonized across the country. This notice contains CSA staff's views about the exemption in the local blanket orders (collectively, the **Blanket Orders**).

The Blanket Orders are being issued in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon.

### Description of the Blanket Orders

The Blanket Orders exempt Registered Firms from the requirement to deliver Form 24-101F1 to the participating jurisdictions.

Although the outcome of any coordinated Blanket Order is the same in participating CSA jurisdictions, the language of the Blanket Order issued by each province or territory may not be identical because each jurisdiction's Blanket Order must fit within the authority provided for in local securities legislation.

In Alberta, British Columbia, New Brunswick and Nova Scotia, the Blanket Orders will be implemented by varying the existing relief set out in Alberta Securities Commission Blanket Order 24-505, BC Instrument 24-501, New Brunswick Blanket Order 24-502 and Nova Scotia Securities Commission Blanket Order No. 24-503.

### Background

NI 24-101 has been in effect since 2007. It provides a framework for ensuring efficient and timely settlement of the processing of institutional trades (equity and debt) by Registered Firms. NI 24-101 has a number of requirements including that Registered Firms are required to establish, maintain and enforce policies and procedures designed to achieve the matching threshold of institutional trades.

Under the Exception Reporting Requirement, Registered Firms are required to deliver Form 24-101F1 to the securities regulatory authority if less than 90% of trades (by value and volume) executed by or for the Registered Firm during the quarter matched within the time required by NI 24-101. Form 24-101F1 requires Registered Firms, among other things, to explain why they did not meet the exception reporting thresholds and the steps to address the delay.

In 2020, the CSA implemented a three-year moratorium on the applicability of the Exception Reporting Requirement through a local rule in Ontario and by Blanket Orders in all other jurisdictions (the **2020 Moratorium**). As a result of the 2020 Moratorium, Registered Firms are no longer required to deliver Form 24-101F1 beginning on July 1, 2020 and ending on July 1, 2023.

On December 15, 2022, the CSA published for comment proposed amendments to NI 24-101 (the **Proposed 24-101 Amendments**). The Proposed 24-101 Amendments are intended to align with the shortening of the standard settlement cycle for equity and long-term debt market trades in Canada from two days after the date of a trade to one day after the date of a trade. The Proposed 24-101 Amendments would, if implemented, also include the permanent elimination of the Exception Reporting Requirement for Registered Firms.

The Proposed 24-101 Amendments, if approved, are expected to come into force on a date that is aligned with Canada's industry move to a T+1 settlement cycle, currently expected to be May 27, 2024.

### **Day on Which the Blanket Orders Cease to be Effective**

The Blanket Orders come into effect on July 2, 2023, and will cease to be effective on the earlier of the following:

- (a) the effective date of the Proposed 24-101 Amendments;
- (b) the date that is 18 months after the date of the Blanket Orders unless extended by the participating jurisdictions.

### **Questions**

If you have questions, please contact any of the following:

Ontario Securities Commission  
Aaron Ferguson  
Manager, Market Regulation  
Tel: 416-593-3676  
Email: [aferguson@osc.gov.on.ca](mailto:aferguson@osc.gov.on.ca)

Ontario Securities Commission  
Stephanie Wakefield  
Senior Legal Counsel, Market Regulation  
Tel: 647-401-8397  
Email: [swakefield@osc.gov.on.ca](mailto:swakefield@osc.gov.on.ca)

Ontario Securities Commission  
Jarrod Smith  
Senior Accountant, Market Regulation  
Tel: 416-263-3778  
Email: [jsmith@osc.gov.on.ca](mailto:jsmith@osc.gov.on.ca)

Autorité des marchés financiers  
Dominique Martin,  
Director, Oversight of Trading Activities  
Tel: 514-395-0337, ext. 4351  
Email: [dominique.martin@lautorite.qc.ca](mailto:dominique.martin@lautorite.qc.ca)

Autorité des marchés financiers  
Francis Coche  
Derivative Products Analyst - Oversight of  
Clearing Activities  
Market Activities and Derivatives  
Tel: 514-395-0337, ext. 4343  
Email: Francis.Coche@lautorite.qc.ca

Alberta Securities Commission  
Harvey Steblyk  
Senior Legal Counsel, Market Regulation  
Tel: 403-297-2468  
Email: harvey.steblyk@asc.ca

British Columbia Securities Commission  
Michael Grecoff,  
Securities Market Specialist, Capital  
Markets Regulation  
Tel: (604) 899-6864  
Email: mgrecoff@bcsc.bc.ca

British Columbia Securities Commission  
H. Zach Masum  
Manager, Legal Services, Capital Markets  
Regulation  
Tel: (604) 899-6869  
Email: zmasum@bcsc.bc.ca

Autorité des marchés financiers  
Yasmine Garreau  
Senior Policy Advisor - Clearinghouses  
Oversight  
Tel: 514-395-0337, ext. 4697  
Email: yasmine.garreau@lautorite.qc.ca

Manitoba Securities Commission  
Paula White  
Deputy Director, Compliance and Oversight  
Tel: 204-945-5195  
Email: paula.white@gov.mb.ca

Financial and Consumer Affairs Authority  
of Saskatchewan  
Liz Kutarna  
Director, Capital Markets, Securities  
Division  
Tel: 306-787-5871  
Email: liz.kutarna@gov.sk.ca

Financial and Consumer Services  
Commission (New Brunswick)  
Amelie McDonald  
Legal Counsel  
Tel: 506-635-2938  
Email: amelie.mcdonald@fcnb.ca