

**THE MANITOBA SECURITIES COMMISSION**

**MSC Rule No. 2017-12**

(Section 149.1, *The Securities Act*)

**MULTILATERAL INSTRUMENT 91-102**

***PROHIBITION OF BINARY OPTIONS***

**Definition**

1. In this Instrument, “binary option” means a contract or instrument that provides for only
- (a) a predetermined fixed amount if the underlying interest referenced in the contract or instrument meets one or more predetermined conditions, and
  - (b) zero or another predetermined fixed amount if the underlying interest referenced in the contract or instrument does not meet one or more predetermined conditions.

**Trading binary options with an individual prohibited**

2. No person or company may advertise, offer, sell or otherwise trade a binary option with or to an individual.

**Trading binary options with a person or company other than an individual prohibited**

3. No person or company may advertise, offer, sell or otherwise trade a binary option with or to a person or company that was created, or is used, solely to trade a binary option.

**Binary options having a term to maturity of 30 days or longer**

4. Sections 2 and 3 do not apply in respect of a binary option having a term to maturity of 30 days or longer.

**Exemption – general**

- 5.(1) Except in Québec, the regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

- 5.(2) Despite subsection (1), in Ontario, only the regulator may grant an exemption.

- 5.(3) Except in Alberta, Ontario and Saskatchewan, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

**Effective date**

- 6.(1) This Instrument comes into force on December 12, 2017.

- 6.(2) In Saskatchewan, despite subsection (1), if these regulations are filed with the Registrar of Regulations after December 12, 2017, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

7. This Instrument may be cited as MSC Rule 2017-12.