

July 31, 2024

**IN THE MATTER OF  
THE SECURITIES ACT, R.S.N.S. 1989, C. 418 AS AMENDED  
(the Act)**

**AND**

**IN THE MATTER OF  
REFINITIV TRANSACTION SERVICES PTE. LTD.**

**ORDER**

**(Section 15.1 of NI 21-101, Section 12.1 of NI 23-101, Section 10 of NI 23-103 and Section 151A of the Act)**

**WHEREAS** the Nova Scotia Securities Commission (the **Commission**) has received an application (the **Application**) from Refinitiv Transaction Services Pte. Ltd. (**RTSPL**) requesting an order:

- a) under Section 15.1 of National Instrument 21-101 *Marketplace Operation* (**NI 21-101**), Section 12.1 of National Instrument 23-101 *Trading Rules* (**NI 23-101**) and Section 10 of NI 23-103 *Electronic Trading and Direct Access to Marketplaces* (**NI 23-103**) (together, the **Marketplace Rules**) exempting RTSPL from the application of all provisions of the Marketplace Rules that apply to a person or company carrying on business as a multilateral trading facility in Nova Scotia; and
- b) under Section 151A of the Act exempting the Applicant from the requirement to be recognized as an exchange and as a derivatives trading facility under Subsection 30J of the Act,

**(the Requested Relief);**

**AND WHEREAS** the Applicant has represented to the Commission that:

- 1 RTSPL is a private limited company which is a wholly-owned subsidiary of a holding company indirectly owned by the London Stock Exchange Group plc (**LSEG**). RTSPL is registered in Singapore. RTSPL operates the LSEG FXall QuickTrade RFQ facility (**QuickTrade**) and the LSEG FXall PriceStream facility (**PriceStream** and, together with QuickTrade, the **Platform**);
- 2 The Platform is a “request for quote” and “request for stream” platform operated by LSEG’s Singapore entity, which enables participants to request quotes and orders from other participants for a variety of over-the-counter foreign exchange instruments on both a one-off and streaming basis. The following types of investment are offered for trading on the Platform: FX Spot, FX Forwards, FX Swaps, FX Non-Deliverable Forwards, FX

- Options and Spot, Forwards, Swaps and Options based on underlying precious metals (gold, silver, platinum and palladium);
- 3 The Applicant also proposes to add a central limit order book (**CLOB**) to the Platform. The only product which will be traded on the CLOB will be FX Non-Deliverable Forwards. All trades of FX Non-Deliverable Forwards on the CLOB will be centrally cleared through LCH Limited, a majority-owned subsidiary of LSEG. The Applicant may add other types of financial instruments to the Platform in the future, subject to obtaining the required regulatory approvals;
  - 4 The Platform is provided through the LSEG FXall platform (**FXall**). RTSPL only provides the software and infrastructure to facilitate transactions in these products between participants. It does not act as a counterparty to any such transactions, nor does it play any part in deciding which participants transact with each other or in determining the price at which participants agree to transact. RTSPL does not hold customer money or customer assets;
  - 5 In addition, any clearing and settlement is performed outside of the environment of the Platform. Other than with respect to trading on the CLOB, the Platform facilitates transactions between what are referred to on the Platform as Takers and Makers in foreign exchange instruments on a bilateral basis based on existing credit relationships formed outside of RTSPL or the Platform;
  - 6 The Applicant is regulated as a Recognized Market Operator (**RMO**) by the Monetary Authority of Singapore (**MAS**);
  - 7 In Singapore, RMOs are regulated under Part II, Division 3 of the *Securities and Futures Act (SFA)* and the *Securities and Futures (Organised Markets) Regulations (2018)* (the **SFA Regulations**);
  - 8 As an RMO, RTSPL is obliged to: (a) as far as is reasonably practicable, ensure that every organized market it operates is a fair, orderly and transparent organized market; (b) manage any risks associated with its business and operations prudently; (c) in discharging its obligations under the SFA, not act contrary to the interests of the public, having particular regard to the interests of the investing public; (d) ensure that access for participation in its facilities is subject to criteria that are (i) fair and objective; and (ii) designed to ensure the orderly functioning of its organized market and to protect the interests of the investing public; (e) maintain business rules and, where appropriate, listing rules that make satisfactory provision for (i) the organized market to be operated in a fair, orderly and transparent manner; and (ii) the proper regulation and supervision of its members; (f) enforce compliance with its business rules and, where appropriate, listing rules; (g) have sufficient financial, human and system resources to (i) to operate a fair, orderly and transparent organized market; (ii) to meet contingencies or disasters; and (iii) to provide adequate security arrangements; (h) maintain governance arrangements that are adequate for its organized market to be operated in a fair, orderly and transparent manner; and (i) ensure that it appoints or employs fit and proper persons as its chairman, chief executive officer, directors, key management officers and senior managers;

- 9 **RTSPL is also required to notify MAS of certain matters (spelled out in section 34 of the SFA and section 21 of the SFA Regulations), manage risks prudently, submit periodic reports, assist MAS with respect to certain matters, maintain confidentiality, and maintain proper records;**
- 10 **The Applicant is subject to regulatory supervision by MAS and is required to comply with MAS's regulatory framework set out in the SFA Act and the SFA Regulations. In addition, the FXall Operational Procedures (the Rules) provide that participants must comply with the Rules and with all applicable laws, regulations and market practice to which participants are bound in relation to their platform activity, including all applicable laws and regulations relating to money laundering, proceeds of crime and any other financial crime legislation. In addition, the Rules provide for fair and orderly trading and objective criteria for the efficient execution of orders;**
- 11 **Participants are sophisticated and well-capitalized investors such as banks, dealers, government institutions, advisers and large corporations. Participants are required to satisfy the admission criteria in the Rules. Participants are required to either be "accredited investors" or "expert investors" as defined in the SFA, or to belong to the categories listed in the Rules. These categories are roughly equivalent to the categories for designation as a "permitted client" or "accredited investor" under Nova Scotia securities laws. RTSPL takes steps to ensure that participants in Nova Scotia are either registered or exempt from registration under Nova Scotia securities laws;**
- 12 **As a result of its compliance obligations under the MAS regulatory regime, the Applicant is required to maintain a permanent and effective compliance function. The Applicant's Compliance Department is responsible for implementing and maintaining adequate policies and procedures designed to ensure that the Applicant (and all associated staff) comply with their obligations under MAS rules. These policies and procedures are set forth in the RTSPL Compliance Manual and associated internal policies and procedures;**
- 13 **Participants are responsible for ensuring the prompt exchange and processing of transaction confirmations directly with their counterparties in accordance with market practice. Failure to settle transactions will constitute a breach of the Rules. Participants are also responsible for ensuring that transactions are not required to be cleared pursuant to applicable law. If participants are required or choose to clear a transaction, they are responsible for making the necessary arrangements;**
- 14 **Because the Platform sets requirements for the conduct of its participants and surveils the trading activity of its participants, it is considered by the Commission to be an exchange and a derivatives trading facility;**
- 15 **Since the Applicant seeks to provide Nova Scotia participants with direct access to trading on the Platform, the Platform is considered by the Commission to be carrying on business as an exchange or a derivatives trading facility in Nova Scotia and is required to be recognized as such or exempted from recognition pursuant to section 151A of the Act;**

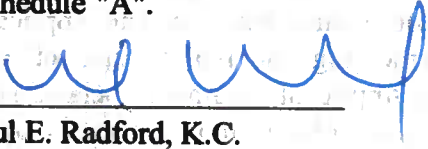
- 16 The Applicant currently provides certain participants in Nova Scotia with access to the Platform; and
- 17 The Applicant does not have an office or establishment in Nova Scotia and has no intention of establishing one;


**AND WHEREAS** the Applicant has acknowledged to the Commission that the scope of the Requested Relief and the terms and conditions imposed by the Commission set out in Schedule "A" to this order may change as a result of the Commission's monitoring of developments in international and domestic capital markets or the Applicant or the Facility's activities, or as a result of any changes to the laws in Nova Scotia affecting trading in derivatives or securities;

**AND WHEREAS** based on the Application, together with the representations made by and acknowledgments of the Applicant to the Commission, the Commission has determined that the granting of the Requested Relief would not be prejudicial to the public interest;

**IT IS HEREBY ORDERED** by the Commission that (i) pursuant to sections 15.1(1) of NI 21-101, 12.1 of NI 23-101 and 10 of NI 23-103, the Applicant is exempt from the requirements from the application of all provisions of the Marketplace Rules that apply to a person or company carrying on business as a multilateral trading facility in Nova Scotia and (ii) pursuant to section 151A of the Act, the Applicant is exempt from the requirement to be recognized as an exchange and as a derivatives trading facility under Section 30J of the Act,

**PROVIDED THAT** the Applicant complies with the terms and conditions contained in Schedule "A".

  
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Paul E. Radford, K.C.  
Chair  
Nova Scotia Securities Commission

  
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Valerie Seager  
Vice-Chair  
Nova Scotia Securities Commission

**Schedule A**  
**Terms and Conditions**

**Regulation and Oversight of the Applicant**

1. The Applicant will maintain its permission to operate as a RMO with the MAS and will continue to be subject to the regulatory oversight of the MAS.
2. The Applicant will continue to comply with the ongoing requirements applicable to it as the operator of an RMO authorized by the MAS.
3. The Applicant must do everything within its control, which includes cooperating with the Commission as needed, to carry out its activities as an exchange and a derivatives trading facility exempted from recognition under the Marketplace Rules and subsection 30J of the Act in compliance with Nova Scotia securities laws.

**Access**

4. The Applicant will not provide direct access to a participant in Nova Scotia (a Nova Scotia User) unless the Nova Scotia User is appropriately registered as applicable under the securities laws of Nova Scotia or is exempt from or not subject to those requirements and qualifies as an "eligible counterparty" (either "per se" or "elective"), as defined by Article 30(2) of the European Union Directive 2014/65 and as incorporated into UK regulations.
5. For each Nova Scotia User provided direct access to its Facility, the Applicant will require, as part of its application documentation or continued access to the Facility, the Nova Scotia User to represent that it is appropriately registered as applicable under the securities laws of Nova Scotia or is exempt from or not subject to those requirements.
6. The Applicant may reasonably rely on a written representation from the Nova Scotia User that specifies either that it is appropriately registered as applicable under the securities laws of Nova Scotia or is exempt from or not subject to those requirements, provided the Applicant notifies such Nova Scotia User that this representation is deemed to be repeated each time it enters an order, request for quote or response to a request for quote or otherwise uses the Applicant's Facility.
7. The Applicant will require Nova Scotia Users to notify the Applicant if their registration as applicable under the securities laws of Nova Scotia has been revoked, suspended, or amended by the Commission or if they are no longer exempt from or become subject to those requirements and, following notice from the Nova Scotia User and subject to applicable laws, the Applicant will promptly restrict the Nova Scotia User's access to the Facility if the Nova Scotia User is no longer appropriately registered or exempt from those requirements.

**Trading by Nova Scotia Users**

8. The Applicant will not provide access to a Nova Scotia User to trading in products other than swaps, as defined in section 1a(47) of the United States Commodity Exchange Act as amended, without prior approval of the Commission.

### **Submission to Jurisdiction and Agent for Service**

9. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the activities of the Applicant in Nova Scotia, the Applicant will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Nova Scotia and (ii) an administrative proceeding in Nova Scotia.

10. The Applicant will submit to the Commission a valid and binding appointment of an agent for service in Nova Scotia upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the Applicant's activities in Nova Scotia.

### **Prompt Reporting**

11. The Applicant will notify staff of the Commission promptly of:

(a) any authorization to carry on business granted by the MAS is revoked or suspended or made subject to terms or conditions on the Applicant's operations;

(b) the Applicant institutes a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate the Applicant or has a proceeding for any such petition instituted against it;

(c) a receiver is appointed for the Applicant or the Applicant makes any voluntary arrangement with creditors;

(d) the Applicant marketplace is not in compliance with this Order or with any applicable requirements, laws or regulations of the MAS where it is required to report such non-compliance to the MAS;

(e) any known investigations of, or disciplinary action against, the Applicant by the MAS or any other regulatory authority to which it is subject; and

(f) the Applicant makes any material change to the eligibility criteria for Nova Scotia Users.

### **Semi-Annual Reporting**

12. The Applicant will maintain the following updated information and submit such information in a manner and form acceptable to the Commission on a semi-annual basis (by July 31 for the first half of the calendar year and by January 31 of the following year for the second half), and at any time promptly upon the request of staff of the Commission:

(a) a current list of all Nova Scotia Users and whether the Nova Scotia User is registered under the securities laws of Nova Scotia or is exempt from or not subject to registration,

and, to the extent known by the Applicant, other persons or companies located in Nova Scotia trading on the Applicant's Facility as customers of participants (**Other Nova Scotia Participants**);

(b) the legal entity identifier assigned to each Nova Scotia User, and, to the extent known by the Applicant, to Other Nova Scotia Participants in accordance with the standards set by the Global Legal Entity Identifier System;

(c) a list of all Nova Scotia Users whom the Applicant has referred to the MAS, or, to the best of the Applicant's knowledge, whom have been disciplined by the MAS with respect to such Nova Scotia Users' activities on the Applicant's Facility and the aggregate number of all participants referred to the MAS since the previous report by the Applicant;

(d) a list of all active investigations since the previous report by the Applicant relating to Nova Scotia Users and the aggregate number of active investigations since the previous report relating to all participants undertaken by the Applicant;

(e) a list of all applicants in Nova Scotia for status as a participant who were denied such status or access to the Applicant since the previous report, together with the reasons for each such denial; and

(f) for each product,

(i) the total trading volume and value on the Facility originating from Nova Scotia Users, and, to the extent known by the Applicant, from Other Nova Scotia Participants, presented on a per Nova Scotia User or per Other Nova Scotia Participant basis; and

(ii) the proportion of worldwide trading volume and value on the Facility conducted by Nova Scotia Users, and, to the extent known by the Applicant, by Other Nova Scotia Participants, presented in the aggregate for such Nova Scotia Users and Other Nova Scotia Participants;

provided in the required format.

### **Information Sharing**

13. The Applicant will provide such information as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.