

**For Immediate Release
July 4, 2013**

**Canadian Securities Regulators Establish Regulatory Framework to Manage Risks
Associated with Direct Electronic Access**

Toronto - The Canadian Securities Administrators (CSA) today announced that it has issued amendments to National Instrument 23-103 *Electronic Trading* (NI 23-103), which will establish a consistent framework for the offer and use of direct electronic access (DEA) and address the financial and regulatory risks associated with DEA. NI 23-103 requires appropriate controls to ensure the integrity of dealers that offer DEA and the market as a whole.

The CSA first published NI 23-103 for comment in April 2011, proposing requirements to address the risks to Canadian markets related to the speed and automation of electronic trading, including the risks related to DEA. NI 23-103 was finalized in June 2012 without the DEA-related provisions to allow the CSA sufficient time to align these requirements with amendments to the Investment Industry Regulatory Organization of Canada's (IIROC) Universal Market Integrity Rules, which are also being published today.

“As technology advances and trading systems become increasingly complex, the regulation of direct electronic access has become ever more critical to the overall regulation of electronic trading,” said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “While today’s announcement brings the amendments related to direct electronic access to a close, the CSA will continue to monitor technological advances and make the changes necessary to continue to protect the market and marketplace participants in this regard.”

The amendments were developed following consultations with marketplaces, marketplace participants and service vendors, and are consistent with international approaches to regulating direct electronic trading. The CSA acknowledges and thanks IIROC staff for their work on this initiative.

A copy of NI 23-103 and its related Companion Policy are available on the websites of various CSA members. Subject to ministerial approval, the amendments will come into force on March 1, 2014 and will change the title of NI 23-103 to *Electronic Trading and Direct Electronic Access to Marketplaces*

The CSA, the council of the securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

For more information:

Carolyn Shaw-Rimmington
Ontario Securities Commission
416-593-2361

Sylvain Théberge
Autorité des marchés financiers
514-940-2176

Ainsley Cunningham
The Manitoba Securities Commission
204-945-4733

Tanya Wiltshire
Nova Scotia Securities Commission
902-424-8586

Janice Callbeck
The Office of the Superintendent of
Securities, P.E.I.
902-368-6288

Rhonda Horte
Office of the Yukon Superintendent
of Securities
867-667-5466

Donn MacDougall
Northwest Territories Securities Office
867-920-8984

Mark Dickey
Alberta Securities Commission
403-297-4481

Richard Gilhooley
British Columbia Securities Commission
604-899-6713

Wendy Connors-Beckett
New Brunswick Securities Commission
506-643-7745

Daniela Machuca
Financial and Consumer Affairs
Authority of Saskatchewan
306-798-4160

Doug Connolly
Financial Services Regulation Division of
Newfoundland and Labrador
709-729-2594

Louis Arki
Nunavut Securities Office
867-975-6587