



REQUEST FOR COMMENTS

Notice and Request for Comment – Publishing for comments proposed amendments to Financial and Consumer Services Commission (Commission) Local Rule 91-501 *Derivatives* (LR 91-501).

Introduction

On March 17, 2014, the Commission approved publication in order to obtain comments on the proposed amendments to Local Rule 91-501.

Summary of Proposed Amendments

Since the enactment of LR 91-501 in 2009, the regulation of derivatives has changed dramatically throughout the world. The changes derive largely from commitments made by G-20 leaders at the Pittsburgh Summit in September 2009 to strengthen the regulation of over-the-counter (OTC) derivatives. The G-20 commitments have caused jurisdictions across Canada and the world to make significant changes to legislation and local rules.

Amendments to the *Securities Act*, which were introduced in December 2013, provide the Commission with the authority to implement the G-20 commitments and enhance the regulation of derivative products. The amendments, together with other regulatory developments, necessitate modifications to LR 91-501. As such, the Commission approved the publication of the proposed amendments to update LR 91-501 in a manner consistent with the legislative amendments, and to delete definitions and repeal references which are no longer necessary or appropriate.

Request for Comment

The Commission welcomes your comments on the proposed amendments to Commission Local Rule 91-501 *Derivatives*.

How to Obtain a Copy and Provide your Comments

The text of the proposed amendments can be obtained from the Commission website at: www.fcnb.ca.

A paper copy of the proposed amendments may be obtained by writing, telephoning or emailing the Commission. Comments are to be provided, in writing, by no later than 17 May 2014, to:

Secretary
Financial and Consumer Services Commission
85 Charlotte Street, Suite 300
Saint John, N.B. E2L 2J2
Telephone: 506-658-3060
Toll Free: 1-866-933-2222 (within N.B. only)
Fax: 506-658-3059
E-mail: information@fcnb.ca

A summary of the written comments received during the comment period may be published.

Questions

If you have any questions, please refer them to:

Kevin Hoyt
Director of Securities
Financial and Consumer Services Commission
Tel: 506-643-7691
Email: kevin.hoyt@fcnb.ca



Amendments to

**FINANCIAL AND CONSUMER SERVICES
COMMISSION LOCAL RULE 91-501**

DERIVATIVES

- 1** *Local Rule 91-501 Derivatives is amended by this instrument.*
- 2** *Subsection 1(1) is amended by deleting the following definitions:*
 - (a) “alternative trading system”;
 - (b) “derivative”;
 - (c) “information processor”;
 - (d) “published market”;
 - (e) “regulated entity”; and
 - (f) “trade” .
- 3** *Subsection 2(2) is repealed.*
- 4** *Paragraph 2(3)(j) is repealed.*
- 5** *Part 4 is repealed.*
- 6** This instrument comes into force on [Insert date] 2014.