

21 October 2014

Introduction

The Alberta Securities Commission (ASC) advises of the issuance of Blanket Order 24-502 *Exemption from Mandatory Recognition of Clearing Agencies* which will come into effect October 31, 2014 (Blanket Order).

Reasons for the Blanket Order

Section 2(a) of the *Securities Amendment Act, 2014*, which will come into force on October 31, 2014, will repeal and replace section 1(f) of the *Securities Act*, R.S.A. 2000, c. S-4 (Act), resulting in a new definition of “clearing agency”. In addition, Section 6 of the *Securities Amendment Act, 2011*, which will come into force on October 31, 2014, will repeal and replace section 67 of the Act, resulting in the creation of a requirement that a person or company carrying on business as a clearing agency in Alberta be recognized by the ASC as a clearing agency (the Clearing Recognition Requirement). The ASC considered that it would not be prejudicial to the public interest to provide a temporary exemption from the Clearing Recognition Requirement in order that each person or company carrying on business as a clearing agency in Alberta be given sufficient time to apply for recognition.

Pursuant to the Blanket Order, the Clearing Recognition Requirement is inapplicable until October 31, 2015.

Applications for Recognition

We encourage clearing agencies that are currently carrying on business or anticipate carrying on business in Alberta to ensure that they file their applications well in advance of expiration of this Blanket Order. ASC Policy 12-601 – *Applications to the ASC* sets out the requirements for filing an application in Alberta. In addition, we also encourage clearing agencies to monitor the proposed national instrument on uniform requirements governing clearing agencies which is anticipated to be published for comment later in 2014. See CSA Staff Notice 24-310 *Status Update on Proposed Local Rules 24-503 Clearing Agency Requirements and Related Companion Policies*.

Questions

If you have any questions with respect to the Blanket Order please send them to the following:

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