

ALBERTA SECURITIES COMMISSION

**EXEMPTION ORDER
EXCHANGE RECOGNITION**

Citation: Alpha Exchange Inc., Re, 2012 ABASC 121

Date: 20120327

ALPHA EXCHANGE INC. and ALPHA TRADING SYSTEMS LP

Background

1. Under an order of the Ontario Securities Commission (the **OSC**) dated 8 December 2011 (the **OSC Recognition Order**) the OSC recognized Alpha Exchange Inc. (**Alpha Exchange**) and Alpha Trading Systems Limited Partnership (**Alpha LP** and, together with Alpha Exchange, the **Exchange**) as exchanges effective as of the later of (i) 1 February 2012 and (ii) the date (the **Transfer Date**) on which the operations of Alpha ATS Limited Partnership (**Alpha ATS**) are legally transferred to Alpha Exchange.
2. Under an order dated 13 March 2012 the securities regulatory authorities in Saskatchewan, Manitoba, Québec, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, the Northwest Territories and Nunavut exempted the Exchange from the requirement to be recognized as a stock exchange, exchange or self-regulatory organization, effective as of the Transfer Date.

Interpretation

3. Terms defined in National Instrument 14-101 *Definitions* or National Instrument 21-101 *Marketplace Operations* have the same meaning if used in this decision unless otherwise defined herein.

Representations

4. The Exchange, Alpha Trading Services Inc. and Alpha Services Inc. (together, **Alpha**) represent that:
 - (a) the Exchange will operate two separate and distinct listing markets referred to as “Alpha Main” and “Alpha Venture Plus”;
 - (b) Alpha's head offices are in Toronto, Ontario and there are no Alpha offices in any other jurisdiction;

- (c) Alpha will be subject to the OSC's oversight program and Alpha will comply with the terms and conditions of the OSC Recognition Order; and
- (d) Alpha is not in default of securities legislation in Alberta or any other Canadian jurisdiction.

Decision

5. The Alberta Securities Commission (the **Commission**), being satisfied that it would not be prejudicial to the public interest, orders under section 213 of the *Securities Act* (Alberta) (the **Act**) that, subject to paragraph 6 below, the Exchange is exempt from the requirement under section 62 of the Act that it be recognized as an exchange or exchanges for so long as the Exchange continues to be recognized by the OSC as an exchange and complies with the terms and conditions of the OSC Recognition Order, provided that:
 - (a) before approving the listing of any Alberta-based issuer, Alpha will obtain from that issuer and file with the Commission an undertaking to the Commission, in form satisfactory to the Commission, to comply, in the case of an Alpha Venture Plus issuer, with regulatory requirements applicable to a venture issuer (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) or, in the case of an Alpha Main issuer, to comply with regulatory requirements applicable to a non-venture issuer (as defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*); and
 - (b) the Exchange must:
 - (i) file with or deliver to the Commission copies of all documents filed with or delivered to the OSC relating to Alpha Venture Plus, concurrently with such filing with or delivery to the OSC; and
 - (ii) provide to the Commission, promptly on request, all other information relating to the Exchange.
6. The Commission will notify Alpha 30 days in advance of any review or revocation of this decision grounded on a failure by Alpha to comply with a condition specified in paragraph 5 above.
7. This order takes effect on the later of (i) 1 April 2012, and (ii) the Transfer Date.
8. This order will cease to have effect on the earliest of the following:
 - (a) on 1 September 2012 if the Exchange has not applied to the Commission for recognition as an exchange or exchanges by that date;

- (b) the abandonment or withdrawal of an application to the Commission for recognition of the Exchange as an exchange or exchanges;
- (c) the rejection of an application to the Commission for recognition of the Exchange as an exchange or exchanges; or
- (d) the coming into effect of a Commission order recognizing the Exchange as an exchange or exchanges.

27 March 2012

For the Commission:

“original signed by”

William S. Rice, QC
Chair

“original signed by”

Stephen Murison
Vice-Chair