

ALBERTA SECURITIES COMMISSION

EXCHANGE AND CLEARING AGENCY RECOGNITIONS: VARIATION

Citation: Natural Gas Exchange Inc., Re, 2012 ABASC 307

Date: 20120711

Natural Gas Exchange Inc.

Background

1. The Alberta Securities Commission (the **Commission**) recognized Natural Gas Exchange Inc. (**NGX**) as an exchange under section 62 of the *Securities Act* (Alberta), R.S.A. 2000, c. S-4 (the **Act**) by Commission order *Re Natural Gas Exchange Inc.*, 2008 ABASC 584 and as a clearing agency under section 67 of the Act by Commission order *Re Natural Gas Exchange Inc.*, 2008 ABASC 583 (respectively, each as varied by *Re Natural Gas Exchange Inc.*, 2009 ABASC 163, the **NGX Exchange Recognition Order** and the **NGX Clearing Agency Recognition Order**; together, the **NGX Recognition Orders**).
2. NGX is a subsidiary of TMX Group Inc. (**TMX Group**).
3. TMX Group is the subject of a take-over bid by Maple Group Acquisition Corporation (**Maple**) which, if successful, is to be followed by an arrangement (together with the take-over bid, the **Transaction**), the result of which would be the acquisition by Maple of all the issued and outstanding voting securities of TMX Group.
4. Variation of the NGX Recognition Orders is appropriate in light of the Transaction.

Interpretation

5. Unless otherwise defined herein, terms used in this order have the same meaning as in the Act or in National Instrument 14-101 *Definitions*.

Order

6. The Commission, considering that it would not be prejudicial to the public interest, orders under section 214(1) of the Act that the NGX Recognition Orders are varied by adding, as paragraph 5(f.1) to the NGX Exchange Recognition Order and as paragraph 6(e.1) to the NGX Clearing Agency Recognition Order, the following undertaking of NGX:

to establish, maintain and require compliance with policies and procedures that:

- (i) identify and manage any conflicts of interest or potential conflicts of interest, real or perceived, arising from NGX's operations or regulatory functions;
- (ii) require that confidential information regarding NGX's operations or regulatory functions, or regarding an NGX marketplace participant, which is obtained by an individual who is a partner, director, officer or

employee of a shareholder of Maple through that individual's involvement in the management or oversight of NGX's operations or regulatory functions:

- A. be kept separate and confidential from the business or other operations of the individual and the relevant Maple shareholder, except with respect to information the disclosure of which is necessary to carry out the individual's responsibilities for the management or oversight of NGX's operations or regulatory functions and with respect to which the individual exercises due care in disclosing the information; and
 - B. not be used to provide an advantage to the Maple shareholder or its affiliated entities;
- (iii) require a review, not less frequently than annually, of the effectiveness of and compliance with the policies and procedures established in accordance with this paragraph [f.1; / e.1;]; and
 - (iv) require NGX to make publicly available on its website the policies it establishes in accordance with this paragraph [f.1; / e.1;].

For the Commission:

"original signed by"

Glenda Campbell, QC
Vice-Chair

"original signed by"

Stephen Murison
Vice-Chair

