

In the Matter of
the Securities Legislation of
Alberta (the **Jurisdiction**)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of Bloomberg Tradebook LLC (the **Filer**)

Decision

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the Filer be exempt from the requirement to be registered as a dealer in order to trade exchange contracts with qualified parties, as defined in Alberta Securities Commission Blanket Order 91-503 *Over the Counter Derivatives Transactions and Commodity Contracts* (the **Qualified Parties**), on certain exchanges located outside Alberta (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Alberta Securities Commission is the principal regulator for this application, and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a limited liability company formed under the laws of the State of Delaware of the United States of America.

2. The Filer is a wholly-owned subsidiary of Bloomberg L.P.
3. The head office of the Filer is located in New York, New York.
4. The Filer is registered under the *Securities Act* (Ontario) as an international dealer and limited market dealer. The Filer is also registered as a broker-dealer with the U.S. Securities and Exchange Commission (**SEC**), as an introducing broker with the U.S. Commodity Futures Trading Commission (**CFTC**), and is a member of the Financial Industry Regulatory Authority (**FINRA**) (formerly the U.S. National Association of Securities Dealers) and of the U.S. National Futures Association (**NFA**).
5. The Filer's registrations with the SEC and FINRA include authorization to trade in equity options in the United States.
6. The Filer provides order routing and client-side trade execution services to its clients in respect of securities traded on exchanges and other marketplaces. The Filer is proposing to offer Qualified Parties in the Jurisdiction the ability to trade in exchange contracts on exchanges listed in Alberta Securities Commission Blanket Order 91-501 *Recognition of Exchanges Located Outside Alberta for the Purposes of Trading in Exchange Contracts* and Schedule A of British Columbia Instrument 21-501 *Recognition of exchanges, self-regulatory bodies and jurisdictions* (the **Recognized Foreign Exchanges**).
7. The Filer has no establishment in the Jurisdiction, nor are any of its directors, officers or employees resident in the Jurisdiction.
8. The Filer will restrict its activities in the Jurisdiction in respect of exchange contracts to trading in such contracts for Qualified Parties on Recognized Foreign Exchanges, and providing incidental advice therewith.
9. The Filer will appear in the jurisdiction of the courts of the Jurisdiction and will appoint an agent for service in the Jurisdiction.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

1. Each of the Filer's clients in the Jurisdiction will be a Qualified Party;
2. The trade is made on one of the Recognized Foreign Exchanges such that trade order execution and clearance is wholly conducted outside the Jurisdiction;
3. At the time of the trade the Filer is:
 - (i) registered with the SEC as a broker-dealer in good standing;

- (ii) registered as an introducing broker with the CFTC in good standing; and
 - (iii) a member in good standing with FINRA and the NFA; and
4. The Filer provides the following disclosure to each client in the Jurisdiction when opening the client's account:
- (i) a statement that there may be difficulty in enforcing any legal rights against the Filer or any of its directors, officers, employees or agents, because they are resident outside of the Jurisdiction and all or substantially all of their assets are situated outside of the Jurisdiction;
 - (ii) a statement that the Filer is not registered under the Legislation and, accordingly, the protection available to clients of a dealer registered under the Legislation will not be available to clients of the Filer;
 - (iii) the name and address of the agent for service in the Jurisdiction, as applicable; and
 - (iv) a risk disclosure statement providing substantially similar disclosure to that required under the Legislation for registered dealers trading in exchange contracts.

"original signed by"

William S. Rice, QC
Alberta Securities Commission

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Glenda A. Campbell, QC
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