

ALBERTA SECURITIES COMMISSION

SURRENDER OF RECOGNITION AND REVOCATION ORDER

Citation: Re NetThruPut Inc., 2016 ABASC 296

Date: 20161212

NetThruPut Inc.

Background

1. NetThruPut Inc. (the **Applicant**) was recognized as a clearing agency under section 67 of the *Securities Act* (Alberta) (the **Act**) by the Alberta Securities Commission (the **Commission**) order cited as *NetThruPut Inc., 2005 ABASC 685* (the **Clearing Agency Recognition**).
2. The Applicant is the subject of a Commission order (*NetThruPut Inc., 2004 ABASC 1155*, as varied by further order cited as *NetThruPut Inc., 2005 ABASC 684*, and, as so varied, referred to herein as the **Exemption Order**):
 - (a) exempting the Applicant from the prohibition in section 62 of the Act against carrying on business as an exchange in Alberta unless recognized by the Commission;
 - (b) exempting the Applicant from the prohibition in section 106 of the Act (as it then was) against trading exchange contracts on an exchange in Alberta unless the exchange has been recognized by the Commission under section 62 of the Act and the form of exchange contract has been accepted by the Commission; and
 - (c) exempting trades in certain commodity and swap contracts made by the Applicant and contracting parties through an electronic trading system operated by the Applicant (the **Trading System**) from the registration and prospectus requirements under sections 75 and 110 of the Act.
3. The Applicant has applied to voluntarily surrender the Clearing Agency Recognition and for an order of the Commission revoking the Exemption Order.

Representations

4. The Applicant represents as follows:
 - (a) the Applicant is a corporation incorporated under the *Canada Business Corporations Act* with its head office in Calgary, Alberta;
 - (b) TMX Group Inc. (**TMX**) is a corporation incorporated under the *Canada Business Corporations Act* with its head office in Toronto, Ontario;
 - (c) on 1 May 2009 the Applicant became a wholly-owned subsidiary of TMX and certain assets of the Applicant, including the Trading System and the Applicant's

customer lists, indexes and goodwill, were transferred by the Applicant to Natural Gas Exchange Inc. (NGX), another wholly-owned subsidiary of TMX (the **Asset Transfer**);

- (d) since the Asset Transfer, the Applicant has not carried on business as an exchange or clearing agency;
- (e) the Applicant has no material assets other than 1,000 preference shares of NGX;
- (f) the Applicant has no material liabilities and there are no outstanding accounts, disputes, complaints, claims or liabilities related to any of the previous activities of the Applicant permitted under the Clearing Agency Recognition and Exemption Order; and
- (g) the Applicant proposes to dissolve pursuant to the provisions of the *Canada Business Corporations Act* on or before 31 December 2016, with any assets or liabilities of the Applicant to be assumed by TMX in connection with such dissolution.

Order

5. The Commission, considering that it would not be prejudicial to the public interest to do so:
- (a) under section 72 of the Act, accepts the voluntary surrender of the Clearing Agency Recognition; and
 - (b) under section 214(1) of the Act, revokes the Exemption Order.

For the Commission:

“original signed by”

Tom Cotter
Vice-Chair

“original signed by”

Stephen Murison
Vice-Chair