

ALBERTA SECURITIES COMMISSION
NOTICE
FEBRUARY 15, 2002

RECOGNITION OF MARKET REGULATION SERVICES INC.
AS A SELF REGULATORY ORGANIZATION IN ALBERTA

On February 13, 2002, the Alberta Securities Commission (the "Commission") recognized Market Regulation Services Inc. ("RS Inc.") as a self regulatory organization under section 64(1) of the *Alberta Securities Act*, RSA 2000, C. s-4. RS Inc. will operate as a regulation services provider under the Alternative Trading System ("ATS") rules (the "ATS Rules") and will administer and enforce trading rules for the marketplaces that retain RS Inc., including the Canadian Venture Exchange Inc.

Each of the Ontario Securities Commission, the Manitoba Securities Commission, the British Columbia Securities Commission and the Commission des valeurs mobilières du Québec have also recognized RS Inc. as an SRO.

As part of its recognition of RS Inc., the Commission

- i) issued a Recognition Order dated February 13, 2002, a copy of which is attached;
- ii) approved the adoption by RS Inc. of the universal market integrity rules and related policies ("UMIR"). A copy of the UMIR is attached; and
- iii) established with the other securities regulators that have recognized RS Inc. an oversight program for RS Inc. The oversight program, which is outlined in the attached memorandum of understanding ("MOU") includes a joint rule protocol for the review and approval of RS Inc.'s rules and RS Inc.'s reporting obligations. A copy of the MOU and appendices is attached.

On October 12, 2001, the Commission published a notice and request for comments on the application by RS Inc. for recognition as an SRO. Eight commenters responded to this request for comments. A summary of comments received in response to the October 12, 2001 notice and request for comments is attached.

On January 11, 2002, the Commission published a notice and request for comments on the revised fee model of RS Inc. Two commenters responded to this request for comments. A summary of comments received in response to the January 11, 2002 notice and request for comments is attached.

February 15, 2002

