

**CANADIAN SECURITIES EXCHANGE**  
**SIGNIFICANT CHANGE SUBJECT TO PUBLIC COMMENT**  
**AMENDMENTS TO TRADING SYSTEM FUNCTIONALITY & FEATURES**  
**NOTICE AND REQUEST FOR COMMENTS**

CNSX Markets Inc., (CSE or the Exchange) is filing this Notice in accordance with the process for the Review and Approval of Rules and Information Contained in Form 21-101F1 and the Exhibits Thereto attached as Appendix B to the Exchange's recognition order ("Protocol"). The Exchange intends to implement enhancements to its trading system in response to customer feedback. The enhancements, including new order types and additional features for existing order types, are described below.

**A. Change to GMF Start Time**

Currently the CSE starts trading GMF eligible orders on CSE listed instruments as the CSE listed opening match begins. The proposed change is for CSE to start trading GMF eligible orders following the CSE listed opening match.

- GMF trading on CSE listed instruments will be enabled following the CSE listed opening match.
- GMF trading will end as trading on CSE listed instruments closes.
- GMF trading start and end times will not change for other market listed instruments.

**B. **Expected Implementation Date:** May 31, 2019**

**C. **Rationale and Analysis****

The current guarantee for eligible orders at the open imposes unreasonable risk on the market makers by exposing them to an unbounded potential capital risk in the opening match.

**D. **Expected Impact****

The expected impact of the significant change would be a more consistent and risk reduced workflow for industry stakeholders.

**E. **Compliance with Ontario Securities Law****

There will be no impact on the CSE's compliance with Ontario securities law. The changes do not alter any of the requirements for fair access or the maintenance of fair and orderly markets.

**F. **Technology Changes****

This GMF change requires no change in technology or behaviour on the part of the dealers or vendors.

## **G. Other Markets or Jurisdictions**

This change aligns CSE functionality with TMX functionality relative to the actual operation of GMF/MGF start times.

## **H. Comments**

Comments on the proposed amendments should be in writing and submitted no later than April 29th, 2019 to:

### **Mark Faulkner**

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### **Market Regulation Branch**

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