

B.11

SROs, Marketplaces, Clearing Agencies and Trade Repositories

B.11.2 Marketplaces

B.11.2.1 Canadian Securities Exchange – System Functionality – Second Trading Book – CSE2 – Notice of Approval

CANADIAN SECURITIES EXCHANGE

NOTICE OF APPROVAL

System Functionality – Second Trading Book – CSE2

In accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, CNSX Markets Inc. (“CSE”) has proposed, and the Ontario Securities Commission and British Columbia Securities Commission have approved significant changes to the CSE trading system.

On March 4, 2022, the CSE published *Notice 2022-002 - Amendments To Trading System Functionality & Features - Request for Comment* with respect to the introduction of an additional trading book (“CSE2”).

The comment period expired April 4, 2022.

CSE did not receive any public comments regarding these proposed changes.

The proposed second book does not introduce any functionality that does not already exist on one or more marketplaces in Canada. CSE will, however, be the only exchange operating a second book with automated trading functionality as defined in National Instrument 23-101 *Trading Rules* (“23-101”). Order protection as described in 23-101 and the Companion Policy will apply when the requisite market share threshold is met by CSE2.

IMPLEMENTATION

The CSE2 Gateway Test Environment (“GTE”) is currently available, and the production release for CSE2 is scheduled for September 30, 2022.

For technical information about CSE2 or the GTE, please contact CSE Market Operations at 416-306-0772 or Marketops@thecse.com.

Questions about this notice may be directed to:

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