

# B.11

## SRO, Marketplaces, Clearing Agencies and Trade Repositories

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### B.11.2 Marketplaces

#### B.11.2.1 Canadian Securities Exchange – Housekeeping Amendments to CSE Trading Rule 4 – Notice of Housekeeping Rule Amendments

##### CANADIAN SECURITIES EXCHANGE

##### NOTICE OF HOUSEKEEPING RULE AMENDMENTS

##### HOUSEKEEPING AMENDMENTS TO CSE TRADING RULE 4

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto attached as Appendices to the Exchange's recognition order (the "Protocol"), CNSX Markets Inc., operator of the Canadian Securities Exchange ("CSE" or "Exchange") intends to adopt amendments to CSE Trading Rule 4-107 ("Amendments"). The Amendments have been classified as Housekeeping Rules and as such have not been published for comment. Staff of the British Columbia Securities Commission ("BCSC") and the Ontario Securities Commission ("OSC") have not disagreed with this classification.

#### A. DESCRIPTION OF THE AMENDMENTS

CSE will be implementing changes to its Guaranteed Fill Facility ("GFF"). CSE will alter the calculation used by its trading algorithm for determining Guaranteed Minimum Fill ("GMF") eligibility and, using the revised calculation, the trading algorithm will limit the volume of GMF auto-fills, not including odd lots, to a maximum of 50 STUs ("GMF Cap"). GMF eligible orders will be auto traded if the remaining volume of the order, after it has traded with any volume in the book at the National Best Bid and Offer or better, is less than or equal to the CSE published GMF value.

The Amendments require a change to CSE Trading Rule 4-107. A blackline of the Rule showing the Amendments is attached as Appendix A to this Notice.

#### B. EFFECTIVE DATE

The Amendments will be implemented in Q3 of 2023. CSE will issue a notice confirming the timing of the associated technical release.

#### C. CLASSIFICATION

The Amendments have been classified as housekeeping and were not published for comment.

#### D. QUESTIONS

Questions regarding this notice may be directed to:

**Anastassia Tikhomirova**  
Legal Counsel  
CNSX Markets Inc.  
Email: [Anastassia.Tikhomirova@thecse.com](mailto:Anastassia.Tikhomirova@thecse.com)

APPENDIX A

TEXT OF AMENDMENTS TO CSE TRADING RULES

CSE Trading Rules

RULE 4

TRADING OF SECURITIES

[...]

**Trading Rule 4-107 - *Guaranteed Fill Facility***

(1) Eligibility An order that is a client order for a security that is, in its entirety, for a volume less than or equal to **any orders in the book that are immediately tradable at the NBBO or better, plus** the Guaranteed Fill volume on that security is eligible for a guaranteed fill, provided that the order is not:

- a) One of multiple orders for the same client on the same day;
- b) An order entered by a DEA client, unless the DEA client is a broker acting as an agent for retail client order flow;
- c) An order entered on behalf of a U.S. dealer, unless i. the order is for a client of the U.S. dealer; and RULE 4 – Trading of Securities January 2015 Page 4 ii. The Dealer first confirms the order is for a client of the U.S. dealer; or
- d) For a client that is generally involved in active and continuous trading on a daily basis

(2) Fills that occur in violation of the eligibility requirements above may be cancelled at the request of the Market Maker. The Exchange may cancel or amend any trades deemed to be improper use of the Guaranteed Fill facility.

[...]