

April 3, 2025

**Without Prejudice  
By E-mail**

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Dear Sirs/Mesdames:

**Re: Canadian Securities Exchange (“CSE”) Notice and Request for Comments - Proposed Amendments to CSE Listing Policies**

We submit the following comments in response to the Notice and Request for Comments (the “**Notice**”) regarding the proposed amendments to the CSE’s listing policies that would, subject to certain exceptions, introduce resale restrictions on listed securities that are issued pursuant to prospectus exemptions (the “**Proposed Amendments**”).

Thank you for the opportunity to provide feedback on the Proposed Amendments. This letter represents the comments of certain individual members of our securities practice group (and not those of the firm generally or any client of the firm) and are submitted without prejudice to any position taken or that may be taken by our firm on its own behalf or on behalf of any client.

While we acknowledge the importance of disclosing material information to assist investors in making well-informed investment decisions, securities laws and the CSE’s policy on timely disclosure already impose requirements with respect to the disclosure of material changes and material information. Comprehensive rules relating to resale restrictions and hold periods are also well-established under National Instrument 45-102 *Resale of Securities* (“**NI 45-102**”).

The Proposed Amendments would subject issuers that are listed on the CSE to hold periods that are not found on other Canadian stock exchanges. For example, while the TSX Venture Exchange (“**TSXV**”) imposes an exchange hold in certain circumstances, its resale restrictions are much narrower and generally target insiders and consultants. In addition, the TSXV exchange hold does not apply to issuances under a take-over bid, rights offering or an amalgamation or other statutory procedure. The introduction of an “Extended Hold”, which would be in place for a period greater than four months, would ostensibly also be unique to the CSE.

We respectfully submit that the Proposed Amendments would create additional burdens for issuers that are listed on the CSE that are not present for issuers that are listed on other exchanges. This could have unintended consequences such as making it more difficult for CSE-listed issuers to raise capital or complete M&A transactions. We believe that the disclosure concerns outlined in the Notice are adequately addressed in NI 45-102, National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”), CSE Policy 5 Timely Disclosure, Trading Halts and Posting Requirements and CSE Policy 8 Fundamental Changes and Changes of Business.

We also note that share exchange transactions are often engaged in by public companies to acquire private companies. They would generally not be accompanied by a disclosure document but would be undertaken under sections 2.11 or 2.16 of National Instrument 45-106 *Prospectus Exemptions*, in reliance on the public company’s existing disclosure record and, if applicable, the business acquisition report requirements under Part 8 of NI 51-102. Hold periods would generally not apply under NI 45-102. We submit that it would be inappropriate and detrimental to CSE-listed issuers and their shareholders to apply CSE hold periods in such circumstances, as it would make CSE issuers uncompetitive in seeking to acquire businesses.

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We once again thank you for the opportunity to provide feedback on the Proposed Amendments. Please do not hesitate to contact any of the undersigned should you wish to discuss any of the foregoing comments in greater detail.

Yours truly,

Tara Law

on my own behalf and on behalf of

Simon A. Romano  
Halyna Chumak