

**IN THE MATTER OF THE SECURITIES ACT  
(R.S.N.L. 1990, C. S-13, AS AMENDED (THE ACT))**

**- AND -**

**In the Matter of CNSX Markets Inc.**

**OFFICE OF THE SUPERINTENDENT OF SECURITIES**

**DESIGNATION ORDER 2025-08 N.L.S.A.  
(Under Part VIII Section 24(1) of the *Securities Act*, and  
Section 4.8 of National Instrument 62-104)**

**WHEREAS** pursuant to Part VIII Section 24(1) of the *Securities Act*, and subsection 4.8(1) of National Instrument 62-104 (NI 62-104), the Superintendent may recognize or designate an exchange as a designated exchange for the purposes of NI 62-104;

**AND WHEREAS** pursuant to subsection 4.8(2) of NI 62-104, an issuer bid that is made in the normal course through the facilities of a “designated exchange” is exempt from the requirements applicable to issuer bids in Part 2 of NI 62-104 if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange;

**AND WHEREAS** the securities regulatory authorities in each of the provinces and territories of Canada received an application on June 20, 2024, from the CNSX Markets Inc., the operator of the Canadian Securities Exchange (CSE), seeking designation as a “designated exchange” for the purposes of section 4.8 of NI 62-104 (the **Designation Application**);

**AND WHEREAS** the Ontario Securities Commission (OSC) issued an order dated May 7, 2004, and varied on September 9, 2005, June 13, 2006, May 16, 2008, varied and restated on July 6, 2010, varied on June 22, 2012, varied and restated on November 5, 2013, varied on October 1, 2015, and varied and restated on February 12, 2016, February 8, 2019, and August 31, 2020, and varied and restated on May 12, 2023, recognizing the Canadian Trading and Quotation System Inc., which later changed its name to CNSX Markets Inc., as an exchange (**OSC Recognition Order**);

**AND WHEREAS** the British Columbia Securities Commission (BCSC) recognized the CSE as an exchange pursuant to an order dated April 25, 2019, and varied on May 15, 2023 and July 18, 2024 (**BCSC Recognition Order**);

**AND WHEREAS** the CSE has been exempted from the requirement to be recognized as an exchange by: (a) the Alberta Securities Commission pursuant to an order dated January 8, 2005; (b) the Manitoba Securities Commission pursuant to an order dated January 17, 2007; and (c) the Autorité des marchés financiers pursuant to an order dated August 30, 2007;

**AND WHEREAS** on September 26, 2024, the CSE submitted a coordinated review application seeking an exemption from recognition as an exchange in Saskatchewan, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, and the Yukon;

**AND WHEREAS** on December 11, 2024, the Financial and Consumer Affairs Authority (FCAA) of Saskatchewan as principal regulator for the exemption from recognition application made a decision to exempt the CSE from the requirement to be recognized as an exchange (**FCAA Exemption Order**);

**AND WHEREAS** it has been represented to the Superintendent that:

- (i) Significant changes to the CSE Listings Policies and Forms that were approved by the OSC and BCSC came into effect on April 3, 2023. Among these changes included rules for normal course issuer bids for issuers listed on the CSE (**the NCIB Rules**);
- (ii) The CSE's NCIB Rules are consistent with the requirements of other exchanges that have been designated as designated exchanges for the purposes of NI 62-104; and,
- (iii) The CSE has represented to the Superintendent that the CSE can oversee and enforce compliance with the NCIB Rules.

**AND WHEREAS** the OSC designated the CSE as a designated exchange on September 6, 2024, and the BCSC approved the designation of CSE as a designated exchange on December 5, 2024 (collectively, **Designated Exchange Orders**);

**AND WHEREAS** the Superintendent has determined that it would not be prejudicial to the public interest to make this order.

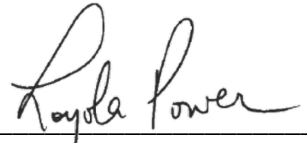
**IT IS HEREBY ORDERED** that:

- (i) CNSX Markets Inc. is designated as a designated exchange for the purposes of NI 62-104; and,
- (ii) Pursuant to Part VIII Section 24(1) and Part XXII.2 Section 138.19 and Part XXIII Section 142.1 of the *Securities Act*, the Government of Newfoundland and Labrador, Office of the Superintendent of Securities opts into the requested exemptive relief application of CNSX Markets Inc. in joining the list of **Decision Makers** as outlined in support of FCAA Exemption Order signed December 19, 2024, and exempting the CSE from recognition as an exchange under the *Securities Act*.

**AND IT IS FURTHER ORDERED** that the designation will remain in effect for as long as the following continue to apply:

- (i) CNSX Markets Inc. the operator of the CSE, continues to be recognized by the OSC and BCSC as an exchange and complies with the terms and conditions set forth in the OSC Recognition Order and the BCSC Recognition Order;
- (ii) CNSX Markets Inc. complies with the terms and conditions of the FCAA Exemption Order (see **Annex A**); and,

Dated at the City of St. John's, Newfoundland and Labrador, this 6<sup>th</sup> day of August 2025.

  
Loyola Power  
Superintendent of Securities

## **Annex A**

In the Matter of  
the Securities Legislation of

**Saskatchewan  
New Brunswick  
Northwest Territories  
Nova Scotia  
Prince Edward Island  
Yukon**

(collectively the “Jurisdictions”)  
And

the **Process for Exemptive Relief Applications in Multiple Jurisdictions**  
and

**CNSX Markets Inc.**  
the operator of the Canadian Securities Exchange  
 (“CSE” or the “Filer”)

### **Decision**

#### **BACKGROUND**

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Makers**) has received an application from the Filer dated September 26, 2024, revised on December 4, 2024 under the securities legislation of the Jurisdictions (the **Legislation**) for a decision exempting the Filer from the requirement to be recognized as a stock exchange, an exchange as set out in Schedule A (the **Exemptive Relief Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application) and in accordance with National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*:

- (a) The Financial and Consumer Affairs Authority of Saskatchewan (the **Principal Exempting Regulator**) is the principal regulator for this application; and
- (b) This decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

#### **INTERPRETATION**

Terms defined in National Instrument 14-101 – *Definitions* have the same meaning if used in this decision, unless otherwise defined.

In this decision,

“CSE Issuer” means an issuer with one or more classes of securities listed in accordance with and subject to the requirements set out in the Rules;

“CSE Dealer” means a Participant (as defined in the Rules) which has applied to the Exchange for, and has been approved by the Exchange to access the Trading System, provided such access has not been terminated or suspended; and

“Rule(s)” means a rule, policy, or other similar instrument of CSE, including but not limited to, trading rules and listing policies.

## FACTS AND REPRESENTATIONS

The *Memorandum of Understanding respecting the Oversight of Exchanges and Quotation and Trade Reporting Systems* among Alberta Securities Commission (**ASC**), Autorité des marchés financiers (**AMF**), British Columbia Securities Commission (**BCSC**), Manitoba Securities Commission (**MSC**), Ontario Securities Commission (**OSC**) and Financial and Consumer Affairs Authority of Saskatchewan came into effect on January 1, 2010 (the **MOU**). On June 19, 2020, the Financial and Consumer Services Commission (New Brunswick) signed the MOU, and the amended MOU became effective on September 1, 2020.

The OSC and BCSC (together, the **Recognizing Regulators**) each issued orders recognizing CSE as an exchange:

- On May 7, 2004 the OSC issued an order recognizing CSE as an exchange, subject to the terms and conditions set out therein. The OSC order was varied on September 9, 2005, June 13, 2006, May 16, 2008, varied and restated on July 6, 2010, varied on June 22, 2012, varied and restated on November 5, 2013, varied on October 1, 2015, and varied and restated on February 12, 2016, February 8, 2019, and August 31, 2020, and varied and restated on May 12, 2023, recognizing the Canadian Trading and Quotation System Inc., which later changed its name to CNSX Markets Inc. (the **CSE**), as an exchange pursuant to section 21 of the *Securities Act* (Ontario) (the **OSC Recognition Order, and together with the BCSC Recognition Order, the Recognition Orders.**)
- On April 25, 2019, the BCSC issued an order recognizing CSE as an exchange, subject to the terms and conditions set out therein. The BCSC Order was varied on May 15, 2023 and July 18, 2024 (the **BCSC Recognition Order**).

The following securities regulatory authorities (together, the **Exempting Regulators**) issued orders exempting CSE from the requirement to be recognized:

- ASC issued an Exemption Order dated January 8, 2005
- AMF issued an Authorization Order dated August 30, 2007
- MSC issued an Exemption Order dated January 17, 2007

Under the MOU, the OSC and BCSC are designated as the Lead Regulator for the Filer.

The relief being granted is not novel.

## REPRESENTATIONS

This decision is based on the following representations of the Filer:

- (a) CSE will carry on exchange activities in Canada;
- (b) CSE has offices in Toronto, Ontario and Vancouver, British Columbia and does not have offices in any of the Jurisdictions;
- (c) CSE agrees to be subject to the oversight program established by the OSC and BCSC from time to time in accordance with the provisions set forth in the MOU and to comply with the terms and conditions of the Recognition Orders;

- (d) CSE will offer a wide range of services, in French and in English, to CSE Issuers and CSE Dealers;
- (e) The Filer is not in default of securities laws in any Jurisdiction or any other province of Canada.

## **DECISION**

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted provided that:

### **1. Corporate Governance**

CSE will ensure fair, meaningful and diverse representation on the Board of Directors and any committees of that Board, including:

- (a) appropriate representation of independent directors;
- (b) a proper balance among the interests of the different persons or companies using the services and facilities of CSE, including regional interests.

### **2. Continuing Recognition**

The Filer will continue:

- (a) to be recognized as an exchange by the OSC and the BCSC; and
- (b) to comply with the terms and conditions of the Recognition Orders.

### **3. Oversight of the Exchange**

CSE will be subject to the oversight program established by the OSC and BCSC from time to time in accordance with the provisions of the MOU.

### **4. Listing Activities**

- (a) Until the necessary amendments are made to the relevant securities laws, before approving an issuer to be listed on its market, CSE will obtain from that issuer a copy of the undertaking that it signed in favour of the relevant Decision Maker (the “**Issuer Undertaking**”)
- (b) The issuer will file the Issuer Undertaking on SEDAR+.

### **5. Activities**

- (a) CSE will communicate and offer services in English and in French to CSE Issuers and CSE Dealers, including listing, continued listing and follow-up services, as well as membership services, of a quality equivalent to those offered in Ontario and British Columbia.
- (b) CSE will publish concurrently in English and in French each document issued to the public at large or generally to any CSE Issuers and CSE Dealers and upon request, provide the document to the Principal Exempting Regulator immediately upon publication, including forms, releases, notices and other documents issued to CSE Issuers and CSE Dealers or to the public.

- (c) The French version of the website of CSE must be updated at the same time as the English version and must be comprised solely of French documents.
- (d) CSE will be provide the same quality of service in English and in French.

## **6. Access To Information**

- (a) Subject to the terms of the MOU, CSE will promptly provide the Decision Makers when requested either directly or through the OSC, as the case may be, any information in the custody or control of CSE or its affiliated entities, relating to CSE Dealers, CSE Issuers, the Filer's shareholders, the market operations of CSE, and compliance with this decision, including but not limited to, dealer lists, products, trading information and disciplinary decisions, the whole in accordance with the provisions set out in the Legislation, privacy legislation, as well as in any other laws pertaining to the collection, use and disclosure of information and the protection of personal information applicable in the Jurisdictions.
- (b) The Filer shall protect the confidentiality of the information provided to the Filer in connection with the Filer's operations, in accordance with applicable laws in the Jurisdictions.
- (c) CNSX will notify the Recognizing Regulators of any violations of securities law of which it becomes aware in the ordinary course of its business or otherwise.

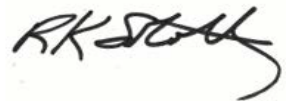
## **7. Fair Access**

- (a) The Filer must establish and maintain written standards for access to its services.
- (b) The written standards must ensure that participants are appropriately registered under the securities laws of the Decision Makers or are exempt from these requirements.

**8.** The Filer will comply with applicable securities legislation in the Jurisdictions.

**9.** If the Filer fails to comply with one or more of the conditions set forth in this decision, the Decision Makers may review or revoke this decision.

This decision will become effective as of the **19<sup>th</sup>** day of **December** 2024.



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Roger Sobotkiewicz, K.C.  
Chairperson and CEO  
Financial and Consumer Affairs  
Authority of Saskatchewan

## **SCHEDULE A**

### **Decision Makers**

### **Sections in Legislation:**

**(a) Exemptive Relief Sought**

**(b) Exempting provisions**

Financial and Consumer Services  
Commission (New Brunswick)

(a) Section 36  
(b) Section 44.02(1)

Northwest Territories Superintendent of  
Securities

(a) Section 70  
(b) Section 16(1)

Nova Scotia Securities Commission

(a) Section 30J  
(b) Section 151A

Prince Edward Island Registrar of  
Securities

(a) Part 7, section 70  
(b) Section 16(1)

Financial and Consumer Affairs  
Authority of Saskatchewan

(a) Section 21.1  
(b) Section 160(1)

Yukon Superintendent of Securities

(a) Part 7, Division 1, section 70  
(b) Part 2, Division 2, section 16(1)