

13.2.2 Canadian Securities Exchange – Housekeeping Amendments to Rules, Policies and Forms – Notice of Approval

**CANADIAN SECURITIES EXCHANGE
HOUSEKEEPING AMENDMENTS TO RULES, POLICIES AND FORMS
NOTICE OF APPROVAL**

January 15, 2015

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits thereto (Exchange Protocol) for recognized exchanges, the Ontario Securities Commission (OSC) has approved amendments to the Rules of CNSX Markets Inc. (CNSX Rules) which are attached below.

As of January 6, 2014 CNSX Markets Inc. (the Exchange) operates as the Canadian Securities Exchange, or CSE.

The amendments are being treated as housekeeping amendments, required as a result of the change in operating name, and in the case of new Rule 2-117, as a result of amendments to the CNSX Recognition Order. The amendments were not published for comment.

Reasons for the Amendments

On December 2, 2013 CNSX Markets introduced technological changes that resulted in a single trading system, rather than two separate instances of the same system. As a result, all CNSX Listed Securities and Alternative Market Securities (trading on the “Pure Trading” platform) commenced trading in a single system. On January 6, 2014, CNSX Markets began operating under the name Canadian Securities Exchange or CSE, replacing Canadian National Stock Exchange or CNSX.

The trading rules, listing policies and forms (Rules, Policies and Forms) have been amended to reflect the change of name.

Description of the Change

In the Rules, Policies and Forms:

To reflect the change in the operating name of the Exchange, references to CNSX or CNSX Markets have generally been changed to “the Exchange”.

Definitions have been added or expanded to include “Canadian Securities Exchange” and “CSE” as meaning CNSX Markets Inc.

“CNSX Board”, “CNSX Dealer”, and “CNSX Issuer” have been amended to “Board”, “Dealer” and “Issuer” and “CNSX System” to “Trading System”.

In the Rules:

The definition of “Alternative Market” has been deleted, and the definition of “Alternative Market Security” has been changed to “Other Listed Security”

In Rule 2-104 Rights of Applicant, an incorrect reference to Rule 1-104 has been corrected to Rule 2-105.

Rule 4-102(3) includes an updated reference to National Instrument 45-102.

Rule 2-117 Disclosure of Exchange Ownership has been added to address the potential conflict of interest of a Dealer routing client orders to the Exchange when the Dealer that is also a significant shareholder of the Exchange

In the Policies:

Policy 6 – Section 5.3, reference updated to MI 45-105.

In the Forms:

Form 9 – Reference updated to NI 45-102

Form 13 – Reference updated to MI 61-101

Text of Rule 2-117:

Rule 2-117 Disclosure of Exchange Ownership

A Dealer that beneficially owns or controls, directly or indirectly, more than 5% of any class of voting shares of the Exchange must disclose that relationship with the Exchange to:

- (a) Clients whose orders might be, and clients whose orders have been, routed to the Exchange; and*
- (b) Entities for whom the Dealer is acting or proposing to act as an underwriter in connection with the issuance of securities to be listed on the Exchange.*

Expected Implementation Date: January 15, 2015.

Rules, Policies and Forms are all available on CSE website www.thecse.com or may be requested by email to listings@thecse.com.