TSX VENTURE EXCHANGE INC.

NOTICE OF PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS

DYNAMIC ORDER PROTECTION RULE REPRICING

TSX Venture Exchange Inc. ("TSXV") is publishing this Notice of Proposed Amendments. The Proposed Amendments will be effective upon approval by the British Columbia Securities Commission and Alberta Securities Commissions (the "Commissions") following public notice and comment.

Market participants are invited to provide comments on the proposed changes. Comments should be in writing and delivered by March 25, 2019 to:

Anastassia Tikhomirova
Legal Counsel
TMX Group
300 – 100 Adelaide Street West
Toronto, Ontario M5H 1S3
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Bruce Sinclair
Securities Market Specialist
Capital Markets Regulation Division
British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, British Columbia V7Y 1L2
Email: bsinclair@bcsc.bc.ca

Comments will be made publicly available unless confidentiality is requested. Upon completion of the review by the Commissions, and in the absence of any regulatory concerns, a notice will be published to confirm completion of the Commissions' review and the Commissions' approval.

Background to the Proposed Amendments

Dynamic repricing will provide participants with increased flexibility and options for managing their resting OPR Reprice orders. It will also help clients ensure that their OPR Reprice orders are always at the more aggressive of their limit price and the best quote possible, subject to the Protected National Best Bid and Offer ("PNBBO") and OPR requirements, maximizing opportunities for order execution.

Currently, orders marked with the OPR Reprice instruction that would trade through or lock or cross the PNBBO upon entry are automatically repriced to one tick inside the opposite side PNBB/O. Orders are repriced only upon order entry and are not repriced with subsequent changes to the PNBBO.

B

should be sufficient to allow adoption by those that wish to take full advantage of the enhanced OPR Reprice functionality. Accessing OPR Reprice feature will require little to no changes by Members or Service Vendors, as the OPR Reprice option already exists today.

Do the Amendments Currently Exist in Other Markets or Jurisdictions

Dynamic repricing of OPR Reprice orders is an extension of the existing OPR Reprice functionality on TSX and TSX Venture Exchange. Similar repricing functionality currently applies to OPR Reprice orders on both Nasdaq CXC and CX2.

APPENDIX A
EXAMPLES INVOLVING DYNAMIC REPRICING FOR OPR REPRICE ORDERS

The following examples demonstrate the new proposed functionality for OPR Reprice orders:

<u>Example 3:</u> *Non-Post Only OPR Reprice order is repriced when the TBBO changes, resulting in a trade*

Book as follows:

	Order Ref #	Order	Limit Price	Timestamp	Volume	BID	ASK
PNBBO						*10.00*	*10.01*
ABBO						*10.00*	*10.05*
TBBO						*9.99*	*10.01*

TSX