

# Cassels

## TMX Provides Update on Clearing Securities of Issuers with Cannabis-Related Activities in the United States

November 27, 2017

On November 24, 2017, the TMX Group (TMX) issued a news release updating the ongoing engagement that the CDS, which is owned and operated by the TMX, has with the Canadian Securities Administrators (CSA) to address the clearing of trades of issuers with cannabis-related activities in the United States. While little substantive developments were announced, the TMX emphasized that the final decisions will be based on each exchange's role in assessing listing requirements, particularly analyzing an issuer's compliance with applicable laws. This announcement comes just over a month after the TMX and CSA issued substantially different standards that each entity will apply to assess listed cannabis companies with activities in the United States (as summarized in our blog post dated October 17, 2017).

In the mean time, the CDS will not ban the clearing of securities of issuers with cannabis-related activities in the United States.

### We Can Help

For more information about how Cassels can assist with your business, please contact a member of our firm's cross-disciplinary Cannabis Group.

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