

# B.11

## CIRO, Marketplaces, Clearing Agencies and Trade Repositories

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### B.11.2 Marketplaces

#### B.11.2.1 Cboe Canada Inc. – Proposed Public Interest Rule Amendment to the Cboe Canada Trading Policies – Request for Comments

CBOE CANADA INC.

#### PROPOSED PUBLIC INTEREST RULE AMENDMENT TO THE CBOE CANADA TRADING POLICIES

#### REQUEST FOR COMMENTS

### Introduction

Cboe Canada Inc. (“**Cboe Canada**” or the “**Exchange**”) is publishing certain proposed amendments (collectively, the “**Public Interest Rule Amendment**”) to Cboe Canada’s trading rules (the “**Trading Policies**”) in accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, which is attached as Schedule 4 to the Exchange’s recognition order. The Public Interest Rule Amendment was filed with the Ontario Securities Commission (the “**OSC**”) and is being published for comment. A description of the Public Interest Rule Amendment is set out below, and a blackline of the Rule Amendment against the existing rules is attached as Appendix A.<sup>1</sup>

### Description of the Public Interest Rule Amendment

The Exchange is proposing to introduce several new functionalities to the NEO-L, NEO-N, and NEO-D Trading Books (collectively, the “**NEO Platform**”) in connection with a planned migration of the NEO Platform to technology (the “**Cboe Technology**”) developed by its parent company, Cboe Global Markets, Inc. (the “**Cboe Technology Migration**”). These new functionalities, which will be codified in certain amendments to the Trading Policies, are described below, along with a brief description of the relevant rule amendments.

Capitalized terms not defined herein are as defined in Section 1.01 (or, as applicable, in other Sections) of the Trading Policies, which are available on the Exchange’s website (at <https://www.cboe.ca/en/resources> under the heading “Trading Resources”).

#### 1. New Opening Call

The new NEO-L opening auction process (as modified, the “**Opening Call**”) will generally continue to function as it does today<sup>2</sup>, with the following modifications:

- Imbalance Only orders will be decommissioned.<sup>3</sup>

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<sup>1</sup> Consequential changes to Cboe Canada’s Trading Functionality Guide reflecting the Public Interest Rule Amendment, in the event that it is approved, will be implemented, and a revised version of the Trading Functionality Guide will be published by the Exchange on its website, on or before implementation of the Cboe Technology Migration.

<sup>2</sup> The Opening Call will continue as a transparent call auction whereby all visible orders will be disseminated via the public market data feed. As is the case today, the Opening Call will match eligible orders at the Calculated Opening Price (or “**COP**”)—which is governed by Section 6.04 of the Trading Policies—in the following sequence:

1. Market and Market on Open orders;
2. Better priced Limit and Limit on Open orders; and
3. Limit and Limit on Open orders priced at the COP.

If there are multiple orders within each order type listed above, they will be executed in broker preferencing/NEO Trader/time priority. For additional details on how the Opening Call functions, please see section 5.1.2 of the Trading Functionality Guide (available at <https://www.cboe.ca/en/resources>).

<sup>3</sup> All other orders that are currently eligible to participate in the Opening Call as it exists today—namely, Market, Market on Open, Limit, and Limit on Open orders—will continue to be supported, and all such orders will be priced at the Calculated Open Price, if available; otherwise, the previous day’s Closing Price will be used, as

- In the event that no trades are executed in the Opening Call, Odd Lot Market Orders will attempt to execute at the NBBO (if it is available); following that, unexecuted Odd Lot Market Orders will be converted to Odd Lot Limit Orders and priced at the previous day's Closing Price in NEO-L (as is the case today).
- For the calculation of the Calculated Opening Price during the pre-open session, an additional tie-breaker level will be added to address the situation where the imbalances are equal and the two available prices are of equal distance to the previous day's Closing Price in NEO-L; in that event, the Calculated opening Price will be the higher price of the two.
- In the event that, during the Opening Call, there are only Market Orders and Market On Open orders entered on NEO-L, they will be priced at the previous day's Closing Price in NEO-L, and executions will occur accordingly. (On the existing technology, which was originally developed by an unaffiliated third-party vendor (the "**Legacy Technology**"), no executions would occur in this circumstance.)

The Opening Call-related modifications will be reflected in amendments to Sections 6.02(2), 6.03(2), 6.04(3), 6.04(4), 6.05, and 6.15(3) of the Trading Policies.

## **2. New Closing Call**

The new NEO-L closing auction process will significantly enhance and refine the existing process (as modified, the "**Closing Call**"). The Closing Call will be a blind auction that runs alongside the Continuous Trading Session on each trading day, executing at 4:00 p.m.<sup>4</sup> The Closing Call will apply exclusively to Cboe Canada-listed corporate issuer securities (as is the case today)<sup>5</sup>, and it will function in a manner similar to that of closing auctions currently in use on other North American exchanges. (See section II.K below for details on comparable models currently in use on other exchanges.)

The Closing Call will allow the following order types (aka "Order Modifiers" as referred to in Section 6.02 of the Trading Policies):

- Market on Close ("**MOC**"): This is an existing order type; its definition will remain unchanged.
- Limit on Close ("**LOC**"): This is an existing order type; its definition will remain unchanged.
- Late Limit on Close ("**LLOC**"): This is a new order type; its definition will be codified in a new provision within Section 6.02(2) of the Trading Policies as follows: "An eligible pegged Limit on Close order that is only available for entry during the Closing Offset Phase. Where the entered limit price of the LLOC is more aggressive than the Closing Call Reference Price, it will be re-priced to the Closing Call Reference Price. Any unfilled LLOCs will be cancelled upon completion of the Closing Call."

The Closing Call has been designed to efficiently maximize the number of shares executed at a single price (the "**Official Closing Price**" or "**OCP**") for Cboe Canada-listed corporate issuer securities during the regular market close. In the event of a volume-based tie at multiple price levels, the system will look for the price that minimizes imbalance; if there is still a tie across multiple price levels, then the OCP will be determined by the price closest to a tie-breaker (the "**Volume Based Tie Breaker**"), further choosing the higher price if two prices are equidistant to the Volume Based Tie Breaker.

The Closing Call will consist of three main phases plus, in some circumstances, one additional extended phase, as follows:

- (1) **Pre-Imbalance Phase**: During this phase, which will begin at 7:00 a.m., MOC and LOC orders will be allowed to be entered, amended, or cancelled. (LOC and MOC order activity during this phase will not result in order events being sent over the public market data feed.)
- (2) **Imbalance Phase**: During this phase, which will begin at 3:50 p.m., new LOC and MOC orders will be allowed. Amendments and cancellations of MOC orders will be rejected, while amendments of LOC orders will be accepted (except that the price field will only be permitted to be amended to a more aggressive price). On the public market data feed, an auction update message containing imbalance information (which will include the side and quantity of the imbalance, the Calculated Closing Price ("**CCP**")—which is an indicative price at which the Closing Call may execute—and the total quantity of shares that would be matched at the relevant time) will be disseminated every 10 seconds.

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<sup>4</sup> All times noted herein are in Eastern Time in Toronto, Ontario, consistent with Section 1.02(11) of the Trading Policies, which will not change.

<sup>5</sup> Under Section 1.01 of the current Trading Policies, the definition of "Closing Call Eligible Security" allows the Exchange to designate securities other than those listed on Cboe Canada to be "eligible to participate in the Closing Call"; the proposed Rule Amendment will not change that.

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- (3) **Closing Offset Phase:** The purpose of this phase will be to solicit offsetting imbalance liquidity nearer to the close. During this phase, which will begin at 3:56 p.m., only new LLOC orders will be allowed; amendment or cancellation of any entered MOC, LOC, or LLOC orders will not be allowed.
- (4) **Delayed Closing:** Where the Closing Call cannot occur (i.e., where the CCP is outside the applicable price band parameters<sup>6</sup>), this fourth phase will occur from 4:00 p.m. to 4:10 p.m.

If the Closing Call results in no auction execution or if the security is halted at the close, the price of the final “last sale price”-qualifying trade in the security (as defined in section 1.1 of CIRO’s Universal Market Integrity Rules) on NEO-L will be used to establish the OCP.

The following table summarizes all phases of the Closing Call process, with the order types and other features that correspond to each phase:

Closing Call Phase	Start Time	On-Close Orders Accepted			Market Data	
		New	Amend	Cancel	Status	Message
Pre-Imbalance	7:00 a.m.	MOC/LOC	MOC/LOC	MOC/LOC	N/A	No auction message
Imbalance	3:50 p.m.	MOC/LOC	LOC		Imbalance	Auction update every 10 seconds
Closing Offset	3:56 p.m.	LLOC			Closing Offset	No auction message
Delayed Closing	4:00 p.m.	LOC			Delayed	Single auction update at 4:00 p.m.
Close & Extended Trading	4:00 p.m. (or 4:10 p.m.)				Extended	Auction summary (if successful) at 4:00 p.m. (or 4:10 p.m.)

Please note that:

- In the event a Delayed Closing phase is invoked, a subsequent attempt to establish a CCP within the applicable price band parameters will be made at 4:10 p.m. (which is similar to how the Closing Call functions today).
- A new LOC order may only be entered during the Delayed Closing phase if it offsets the side of the imbalance (as per the “Imbalance Side Indicator,” which will be part of the auction summary message) and meets the applicable pricing requirements.

As is the case today, pursuant to Section 6.10 of the Trading Policies, the CCP will be the price at which the traded volume in the Closing Call is maximized, as determined by combining orders residing in the Closing Call book and on NEO-L that are eligible to participate in the Closing Call, subject to the following tie-breaker rules:

- a) if there are two prices at which the same volume will trade, the CCP is the price that will leave the smallest imbalance; and
- b) if the imbalances are equal, the price will be the one nearest to the last traded price on NEO-L.

<sup>6</sup> The applicable price band parameters, as well as a closing price threshold (or “CPT”), already exist today and are not changing. Pursuant to Sections 6.12(1) and 6.12(5) of the Trading Policies, they are established by “Notice” to Members (which, in practice, is done via the Trading Functionality Guide). As reflected in what is currently section 11.3 of the Trading Functionality Guide, the applicable price band and closing price threshold for a given security depends on the security’s price, as follows:

Price	Threshold %	CPT %
< \$0.99	10%	15%
> \$1.00	3%	10%

However, an additional tie-breaker level will be added to address the situation where the imbalances are equal and the two available prices are of equal distance to the last traded price in NEO-L; in that event, the price will be the higher of the two. As for the matching priority during the Closing Call, it will function essentially as it does today (as reflected in what is currently section 5.3.3 of the Trading Functionality Guide), except that it will incorporate the new LLOC order type and will apply a distinct matching priority for active and passive orders, as follows:

- At the start of the execution, the side opposite of the indicated imbalance direction will aggress the book. In the absence of an imbalance, the buy side will aggress the sell side.
- The orders eligible to trade in the Closing Call will be matched at the CCP in the following sequence:
  - a) MOC orders,
  - b) Better priced Limit, LOC and LLOC orders,
  - c) Limit, LOC and LLOC orders priced at the CCP.
- If there are multiple orders within each of the order types above on the aggressing side, the orders will be executed according to time priority.
- If there are multiple orders within each of the order types above on the passive side, the orders will be executed in broker preferencing/NEO Trader/time priority.

The modifications to the Closing Call will be reflected in amendments to Sections 1.01 (defined terms “Closing Call,” “Closing Call Book,” “Closing Call Eligible Security,” “Closing Call Reference Price,” “Closing Offset Phase,” “Imbalance Message,” and “Trading Book”), 6.02, and 6.09 through 6.12 of the Trading Policies, and certain consequential revisions to the Trading Functionality Guide.<sup>7</sup>

### **3. Updated Self-Trade Prevention**

The Self-Trade Prevention (“STP”) feature available on the NEO Platform will be expanded. In addition to the ability to suppress a trade from the tape (known as the “Trade no Print” feature, which is being renamed “Suppress from Tape” for consistency with the terminology already in use for MATCHNow), three new attributes will be introduced in support of STP:

- Cancel Newest;
- Cancel Oldest; and
- Decrement and Cancel.

The new attributes are designed to prevent inadvertent crosses where the resulting trade would involve no change of beneficial interest.

Members who wish to use the STP feature will be required to send their written instructions to the Cboe Canada Trade Desk, indicating their preferred attribute. Once they do so, each time two self-trade keys match for a Member, the selected STP behavior (attribute) will be activated to prevent the trade from executing (or, as is the case today, to execute without printing—namely, via the “Suppress from Tape” attribute, which is currently known as “Trade no Print”).

The new STP order attributes will be set out in Section 5.07(3) of the Trading Policies (defined term “Self-Trade Prevention” and commentary).

### **4. Adding Odd Lot Support to NEO-N**

As part of the Cboe Technology Migration, NEO-N will be upgraded so that it can support Odd Lot Orders and Mixed Lot Orders, just as NEO-D does today.

This will result in certain amendments to Section 8.02 and the addition of new Sections 8.07 and 8.08.

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<sup>7</sup> In connection with the Cboe Technology Migration, the publication time of the closing price of Cboe Canada listed securities will be moved up from 4:15 p.m. to 4:00 p.m. This change will be reflected in a revision to section 9.1.1 of the Trading Functionality Guide.

## **5. Updates to Remove Unused Features or Functionalities**

Certain provisions are being amended or deleted insofar as the feature or functionality that they support is not currently in use on the Legacy Technology and will not be supported on the Cboe Technology, as follows:

- DMM's Ability to Delay an Open or Close: Although this feature was implemented on the Legacy Technology, no DMM has ever used it in the past, and no DMM currently uses it. The Exchange has therefore decided to discontinue it as part of the Cboe Technology Migration. As such, we have made corresponding deletions in Sections 5.04(4), 5.04(6), 6.05(1), and 6.06(1).
- Iceberg Randomized Refresh: This optional feature applicable to the Iceberg order was never implemented on the Legacy Technology, and the Cboe Technology will not support it. Therefore, we are deleting the final sentence of the definition for the defined term "Iceberg" in Section 6.02(2).
- Non-Aequitas Cross: This order modifier is not currently in use, nor will it be following the Cboe Technology Migration; as such, Section 10.03 is being deleted, as is the first sentence of the commentary below former Section 10.04 (which will be renumbered as 10.03).

## **6. Other "Clean-Up" Amendments**

As part of the Rule Amendment, we will also make the following "clean-up" amendments to the Trading Policies:

- Section 1.01:
  - "Odd Lot": We are making a typographical correction to the text of the definition.
  - "Liquidity Taking Order": We have replaced "In Detail Specification" with "Trading Functionality Guide," as the contents of the former document are being incorporated into the latter document in connection with the Cboe Technology Migration.
- Section 5.03(3): We have clarified how, following a trading halt, a Listed Security resumes trading on NEO-D and NEO-N and how an Other Traded Security resumes trading on NEO-L, NEO-D, and NEO-N.
- Section 5.04: We have removed an outdated URL for the referenced CIRO guidance note and made a typographical correction to the date of the guidance note.
- Section 5.07: We have made clarifications to the text of this provision to highlight those attributes that are not available on NEO-D or MATCHNow, as the case may be, and to update certain technical terminology.
- Section 6.02(1): We have made a correction to the heading of this provision.
- Sections 6.03(3) and 6.03(4): We are deleting these provisions, which describe how unfilled Limit Orders and Market Orders submitted to NEO-L during the pre-open session automatically become available for trading on NEO-L during the Continuous Trading Session, as these two provisions are redundant with, respectively, Sections 6.05(4) and 6.05(3) as revised.
- Section 9.02: For greater consistency with the description of order modifiers applicable to orders sent to the NEO Platform, we have codified as "modifiers" certain order attributes available for MATCHNow orders (which are currently described only in the MATCHNow In Detail Specification and the existing MATCHNow FIX specification).
- Sections 9.04(1) and 9.08(6) (commentary): We have replaced "In Detail Specification" with "Trading Functionality Guide" (for the reason noted above with respect to the defined term "Liquidity Taking Order" in Section 1.01).
- Sections 10.02, 10.04(2), and 10.04(3) (commentary): We have updated the name of a cross type (from "National Cross" to "Regular Cross") for greater clarity. We have also made some typographical corrections to the text of the commentary that appears under Section 10.04(3).
- Section 12.01(1) (commentary): We have made a clarification to the explanation of the "Protect and Reprice" order designation to better reflect the functionality in question.

In addition, throughout the rules, we have made certain grammatical edits or corrections (e.g., changing "in" to "on" in phrases such as "the previous day's Closing Price on NEO-L"); in the attached Appendix A, such purely grammatical amendments have been omitted from the blacklined rules.

**Expected Date of Implementation**

We are seeking to implement the Rule Amendment on March 3, 2025.

**Rationale and Relevant Supporting Analysis**

The changes being proposed to the Opening Call and Closing Call are intended to allow for greater centralized liquidity, reduced price volatility, and increased size executions for Cboe Canada listed corporate issuer securities around the opening and closing of markets. The new opening and closing functionalities will achieve this objective by leveraging the price information available on NEO-L. Moreover, the redesign of the Closing Call will harmonize it with the closing auctions of the Exchange's competitors (see section entitled "New Feature or Rule" below for details), which will foster greater ease of adoption and use and maximize operational efficiency for Canadian marketplace participants.

As for the new STP feature, it is intended to prevent inadvertent crosses with no change of beneficial interest, which is expected to improve the quality of price discovery on the NEO Platform.

With regard to the upgrade of NEO-N to support Odd Lot Orders and Mixed Lot Orders, just as NEO-D does today, this change is being made to maximize the opportunity for Members to execute Odd Lot Orders and to standardize functionality across Trading Books.

The remaining amendments are in the nature of updates intended to reflect the decommissioning of functionalities that are not currently in use and/or have never been used on the Legacy Technology and which will not be supported on the Cboe Technology, as well as additional amendments of a clarifying, administrative, and/or "housekeeping" nature, which are intended to achieve greater clarity, accuracy, and/or effectiveness within the applicable rules without changing them in any significant manner.

All of the amendments are expected to increase market stability and to promote fair and efficient markets.

**Expected Impact on Market Structure, Members, Investors, Issuers and Capital Markets**

Any impact from the Rule Amendment on market structure, Members, investors, and capital markets is expected to be neutral or positive, as the features it will introduce are in line with industry standards. (For additional details regarding comparable features on other marketplaces, please see the section entitled "New Feature or Rule" below.)

**Expected Impact on Exchange's Compliance with Ontario Securities Law and on Requirements for Fair Access and Maintenance of Fair and Orderly Markets**

The Rule Amendment will have a neutral to positive impact on Cboe Canada's compliance with Ontario securities law and, in particular, the requirements for fair access and maintenance of fair and orderly markets. All the features it introduces will be available to all Members on an equal basis, which is a fundamental element of fair access. Moreover, the Opening Call and Closing Call modifications are intentionally designed to improve price stability around, respectively, the opening and close, which stability plays an important role in the maintenance of fair and orderly markets. As for the enhanced STP feature, these changes promote fair and orderly markets by allowing dealers to minimize inappropriate and/or undesirable self-trading. As for the introduction of odd lot trading on NEO-N, it will have no impact on fair access and will only bolster fair and orderly markets by maximizing the opportunity for Members to execute Odd Lot Orders and standardizing functionality across Trading Books. The remaining amendments noted above, which are of a clarifying, administrative, and/or "housekeeping" nature, will have a neutral impact on fair access and the maintenance of fair and orderly markets.

**Consultation and Internal Governance Process**

Cboe Canada conducted informal consultations with several Members and service vendors prior to finalizing the changes to the Opening Call and Closing Call; we have also conducted two widely attended client conference calls (on January 23, 2024 and May 9, 2024 respectively) to explain the notable changes that will be made as part of the Cboe Technology Migration, including in particular, the changes to the Opening Call, Closing Call, and new STP attributes, to all clients and other stakeholders. The reaction to the proposed changes has been uniformly positive.

The Rule Amendment was also reviewed and approved by the Exchange's Executive Committee and by the Regulatory Oversight Committee of the Cboe Canada board of directors.

**Expected Impact on the Systems of Members or Service Vendors**

For Members and service vendors, the work that will be needed in connection with the new functionalities being introduced as part of the Rule Amendment is minimal; however, as noted above, the Rule Amendment is part of a larger technological transition—

the Cboe Technology Migration—for which the work needed of Members and service vendors is not insignificant. With that in mind, Cboe Canada has provided—and will continue to provide—information and technical support for Members and service vendors throughout the migration process to ensure that it is as smooth and seamless as possible for them. In particular, in addition to numerous informal one-on-one consultations, Cboe Canada has held two client conference calls, and transcripts of the calls and of the presentation materials provided during those calls are available on the Cboe Technology Migration microsite (<https://neo.cboe.com/>).

Moreover, Cboe Canada plans to open a certification environment for Members and service vendors in early September 2024, which will continue to be available through March 1, 2025. This will provide ample time, as well as the necessary technological support, to allow Members and service vendors to complete all necessary coding and testing to continue sending orders to the NEO Platform as of the planned launch date (March 3, 2025).

Cboe Canada believes that a reasonable estimate of the time needed for Members and service vendors to modify their own systems in this way is approximately 90 days, including the certification (testing) process. This estimate is considered reasonable, as it is based on Cboe Canada's past experience with a similar technological migration of what is now the MATCHNow Trading Book (which occurred in 2021-22), as well as the experience of its corporate affiliates in the context of similar technological migrations in other regions of the world (i.e., Europe, Japan, and Australia).

### **Alternatives Considered**

The Exchange did consider leaving the Closing Call as it exists today under the Legacy Technology; ultimately, however, it was determined that the proposed modifications would align the Exchange with other established marketplaces across North America and provide a benefit to our clients by offering functionality with which they are familiar.

No other alternatives were considered, be it with regard to the Closing Call or to any of the other changes proposed as part of this Rule Amendment.

### **New Feature or Rule**

None of the features being introduced as part of the Rule Amendment are novel.

#### **1. Opening Call**

The decommissioning of Imbalance Only orders will align Cboe Canada with all other Canadian marketplaces.

#### **2. Closing Call**

The Closing Call will function in a manner that is similar to that of closing facilities currently available on other Canadian marketplaces, namely:

- the Toronto Stock Exchange's ("TSX") Market-On-Close facility, which is governed by Rule 4-902 of the Toronto Stock Exchange Rule Book (available at <https://www.tsx.com/resource/en/1464>); and
- the TSX Venture Exchange's ("TSXV") Market-on-Close facility, which is governed by Rule C.2.55 of the TSX Venture Exchange Rule Book (available at <https://www.tsx.com/resource/en/1465>).

Similarities include the following:

- a closing period that runs from 3:50 p.m. to 4:00 p.m.
- sequential imbalance and stabilization periods within that timeframe (which run from 3:50 p.m. to 3:56 p.m. and then from 3:56 p.m. to 4:00 p.m., respectively); and
- a potential supplemental extension period (which runs from 4:00 p.m. until 4:10 p.m.) where circumstances warrant.

For additional details on the Market-on-Close as it exists today on the TSX and TSXV, please see <https://www.tsx.com/trading/toronto-stock-exchange/order-types-and-features/market-on-close>.

The Closing Call is also similar to a "Market-on-Close" functionality that the Canadian Securities Exchange has proposed, see *In re Canadian Securities Exchange – Significant Change Subject to Public Comment – Introduction of CSE Market-on-Close – Notice and Request for Comments*, (2024), 47 OSCB 3891 (May 2) (available at [https://www.osc.ca/sites/default/files/2024-05/cse\\_20240502\\_rfc-cse-market-on-close.pdf](https://www.osc.ca/sites/default/files/2024-05/cse_20240502_rfc-cse-market-on-close.pdf)), and which was recently approved, see *In re Canadian Securities Exchange –*

*Significant Change Subject to Public Comment – Introduction of CSE Market-On-Close – Notice of Approval*, (2024), 47 OSCB 6378 (Aug. 1) (available at [https://www.osc.ca/sites/default/files/2024-08/cse\\_20240801\\_notice-of-approval.pdf](https://www.osc.ca/sites/default/files/2024-08/cse_20240801_notice-of-approval.pdf)).

We believe that harmonization around a well-understood Canadian model will benefit marketplace participants as a whole.

### **3. STP Feature**

The STP feature is an enhancement to an existing feature of the NEO Platform, which harmonizes with an equivalent feature available today on the TSX. See TSX, *Order Types and Functionality Guide*, s. 3.6.1 (“Self-Trade Prevention”) (available at <https://www.tsx.com/ebooks/en/order-types-guide/>). See also *In re TSX Inc. – Proposed Amendments and Request for Comments – Notice*, (2024), 47 OSCB 4850 at 4851 (June 6) (available at [https://www.osc.ca/sites/default/files/2024-06/tsx\\_20240606\\_proposed-amendments\\_0.pdf](https://www.osc.ca/sites/default/files/2024-06/tsx_20240606_proposed-amendments_0.pdf)) (noting that proposed STP-related amendments for TSX “currently exist in other marketplaces in Canada, such as Canadian Securities Exchange, Nasdaq Canada, and [Cboe] Canada”).

### **4. Add Odd Lot Support to NEO-N**

This change will align NEO-N with NEO-D as regards odd lot trading.

### **5. Other Changes**

The remaining rule amendments described above, which are of a clarifying, administrative, and/or “housekeeping” nature, do not introduce any novel features or functionalities.

### **Comments**

Comments should be provided, in writing, no later than September 16, 2024, to:

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with a copy to:

Trading & Markets Division  
Ontario Securities Commission  
20 Queen Street West  
22nd Floor  
Toronto, ON M5H 3S8  
[TradingandMarkets@osc.gov.on.ca](mailto:TradingandMarkets@osc.gov.on.ca)

Please note that, unless confidentiality is requested, all comments will be publicly available.



APPENDIX A

BLACKLINE OF CBOE CANADA TRADING POLICIES  
REFLECTING THE RULE AMENDMENT

1.01 Definitions

[...]

“**Closing Call**” means the end-of-day call auction, facilitating systematic execution of [the orders on NEO-L and in the Closing Call Book](#) at the CCP in accordance with these Trading Policies.

“**Closing Call Book**” means [the Limit Orders and Market Orders that are eligible for execution only during the Closing Call](#).

[...]

“**Closing Call Reference Price**” means [the midpoint between the bid and ask prices on NEO-L as published in the Imbalance Message during the Imbalance Phase and Closing Offset Phase](#).

“**Closing Offset Phase**” means [the time period beginning at the end of the Imbalance Phase and ending at the Closing Call](#).

[...]

“**Imbalance Message**” means a message sent prior to an Opening Call for an Opening Call Eligible Security, or the Closing Call for a Closing Call Eligible Security, containing the [relevant imbalance side and quantity information, including the start-of-day or end-of-day call calculated auction price](#), based on the COP or CCP of the security, as calculated at that time.

“**Imbalance Phase**” means [the time period beginning at 3:50 p.m. and ending at the start of the Closing Offset Phase, unless otherwise specified by Notice to Members](#).

[...]

“**Liquidity Taking Order**” means an active Limit or Market FOK/IOC order entered in any of the Trading Books (including a “Market Flow Order” on the MATCHNow Trading Book, sometimes referred to as an “Immediate or Cancel” or “IOC” order, as further described in the [In-Detail Specification Trading Functionality Guide](#)).

[...]

“**Trading Book(s)**” means NEO-L, NEO-D, NEO-N, MATCHNow, or any one of them. [For greater clarity, the Closing Call Book is not considered a Trading Book](#).

5.03 Trading Halts

[...]

[\(3\) Once a trading halt is scheduled to be lifted:](#)

[\(a\) For a Listed Security:](#)

[\(i\) If the halt is lifted prior to the Opening Call:](#)

~~(3a) After a trading halt is lifted~~ [On NEO-L](#), the security [enters/resumes](#) a pre-open phase allowing for order entry, amendment, and cancellation. ~~For NEO-L, the~~ [The](#) pre-open phase ~~will be~~ [is](#) followed by an auction in accordance with Sections 6.03 ~~to~~ 6.06 ~~(for all Listed Securities and OTSs) and then the resumption of, after which~~ the Continuous Trading Session. ~~For NEO-D and the NEO-N, only resting orders may be entered during the pre-open phase until the trading in NEO-D and NEO-N resumes.~~

[b\) On NEO-D, the security will resume a pre-open session.](#)

[c\) On NEO-N, the security will resume the Continuous Trading Session.](#)

(ii) [If the halt is lifted after the Opening Call:](#)

- a) [On NEO-L, the security enters a re-opening call allowing for order entry, amendment, and cancellation. The re-opening call is executed in accordance with Sections 6.03 to 6.06, after which the Continuous Trading Session resumes.](#)
- b) [On NEO-D and NEO-N, only resting orders may be entered, amended, or cancelled until the Continuous Trading Session resumes for the security, which occurs after indication that the Continuous Trading Session has resumed on NEO-L.](#)

(b) [For an OTS: On NEO-L, NEO-D, and NEO-N, the Continuous Trading Session resumes.](#)

[...]

#### 5.04 Exceeding Price Band Parameters (Price Band Limits)

- (1) The Exchange has implemented price bands to minimize erroneous trades from occurring on the Exchange in accordance with CIRO rules and guidance, as memorialized in IIROC Rules Notice 15-0186 *Guidance on Marketplace Thresholds* (Aug. 15, 2015) ~~(available at <https://www.iiroc.ca/news-and-publications/notices-and-guidance/guidance-marketplace-thresholds>).~~

[...]

- (4) The Exchange, ~~or the DMM for its Eligible Assigned Securities,~~ may delay the opening of an Opening Call Eligible Security ~~in~~ on NEO-L if, during the Opening Call, the COP differs from the previous day's Closing Price by an amount greater than the price band parameters, if set. The price band parameters for the Opening Call may differ from those outlined by CIRO and may differ from instrument to instrument.

[...]

- (6) The Exchange, ~~or the DMM for its Eligible Assigned Securities,~~ may delay the opening of a security following a trading halt if, during the auction, the price at which the auction would be completed exceeds the price band parameters, if set. The price band parameters for an Opening Call Eligible Security following a delay may differ from those outlined by CIRO and may differ from instrument to instrument.

[...]

#### 5.07 Order Types and Order Modifiers (available in all Trading Books)

[The following order types and modifiers are available in all Trading Books, unless otherwise indicated below.](#)

[...]

##### (2) Order Modifiers - Time-in-force Conditions

<i>Fill or Kill (FOK)</i>	A Limit Order or Market Order that is to be filled immediately in full, or cancelled. <a href="#">This modifier is not available on MATCHNow.</a>
<i>Good till Close</i>	A Limit Order that can only be entered in the Continuous Trading Session that is valid until it is fully filled or cancelled, and expires upon the completion of the Closing Call or such other time as may be determined by the Exchange and published by Notice. <a href="#">This modifier is not available on MATCHNow.</a>
<i>Good for Day</i>	A Limit Order that is valid until it is fully filled or cancelled, and expires at the end of the Extended Trading Session for Extended Trading Eligible Securities; for all other securities, the order expires at the end of the Continuous Trading Session.

*Good till Time* A Limit Order that is valid until it is fully filled or cancelled, and expires at the specified expiry date and time.

All orders entered ~~in~~ on NEO-D and NEO-N that specify an expiry date other than the date of entry will be rejected. [On MATCHNow, this modifier is only valid for the day on which it is specified.](#)

*Immediate or Cancel (IOC)* A Limit Order or Market Order that is to be filled immediately in full or in part, with the unfilled quantity cancelled.

(3) **Order Modifiers - Functional Attributes**

*Directed Action Order (DAO)* A Limit Order or Market Order as defined in National Instrument 23-101 *Trading Rules*. [This modifier is ignored on MATCHNow.](#)

[...]

*Passive Cancel Only (PO)* A Limit Order that will be cancelled at time of entry if any portion of the order is immediately tradable. PO Cancel orders are also cancelled if the order becomes active due to a price change (i.e., a price amendment). [This modifier is not available on MATCHNow.](#)

*Passive Reprice Only (PO)* A Limit Order that will be re-priced at the time of entry if any portion of the order is immediately tradable. Orders will be re-priced to one trading increment from the opposite side of the NBBO (NBO-1 for buy orders and NBB+1 for sell orders). PO Reprice orders are also re-priced if the order becomes active due to a price change (i.e., a price amendment). [This modifier is not available on MATCHNow.](#)

*Protect and Cancel* A Limit Order or Market Order that will execute to the extent possible at the NBBO before cancelling any residual volume that would trade at a worse price than available on another marketplace or lock/cross the market. [This modifier is ignored on NEO-D and MATCHNow.](#)

*Protect and Reprice* A Limit Order or Market Order that will execute to the extent possible at the NBBO before adjusting the price of any residual volume that would trade at a worse price than available on another marketplace or lock/cross the market. Orders will be re-priced to one trading increment from the opposite side of the NBBO (NBO-1 for buy orders and NBB+1 for sell orders). [This modifier is ignored on NEO-D and MATCHNow.](#)

Self-Trade Prevention

~~A Limit Order which identifies eligibility to trade with other orders originating from the same Member with the same Self Trade Key as set by the user. The user can specify one of the following options:~~

~~The trade that would otherwise result from an incoming Limit Order or Market Order matching with an offsetting Limit Order originating from the same Member with a matching self-trade key as set by the Member. The Member can specify one of the following instructions for handling the tradeable order:~~

~~Cancel Newest – The tradeable order entered is cancelled instead of executing against the offsetting order from the same Member with the matching self-trade key. This instruction will apply to Board Lot orders and the Board Lot portion of Mixed Lot Orders. This instruction is not available on MATCHNow.~~

~~Cancel Oldest – The entry of the tradeable order causes the offsetting order to be cancelled where the self-trade key has matched. This instruction will apply to Board Lot orders and the Board Lot portion of Mixed Lot Orders. This instruction is not available on MATCHNow.~~

~~Decrement and Cancel – If the two orders with a matching self-trade key are not of an equivalent order size, the smaller order is cancelled, and the larger order is decremented by the size of the smaller order. If both orders with a matching self-trade key are equivalent size, both orders are cancelled. This instruction is not allowed on Mixed Lot or Odd Lot Orders and is not available on MATCHNow.~~

~~Ignore Match (MATCHNow only) – The tradeable order does not execute against the offsetting order and is cancelled.~~

~~Trade no Print – An Suppress from Tape – An incoming order will execute against opposite side a resting interest marked with any STP marker originating order from the same Member with the matching self-trade key, but the trade is not disseminated on the public trade market data feed and does not update the LTP, daily volume or value, or other trading statistics. The trade is still sent to the Clearing Corporation for settlement to facilitate reconciliation.~~

Self-Trade Prevention applies to unintentional crosses in the Continuous Trading Session only.

~~The designation is applicable to Board Lot orders and the Board Lot portion of Mixed Lot Orders.~~

**Commentary**

The self-trade key, which is a unique trading key provided by the user for self-trade prevention that is set by the Member for Self-Trade Prevention, is intended for use only on buy and sell orders for accounts that may result in trades where there is no change in beneficial or economic ownership.

[...]

**6.02 Additional Order Modifiers Available ~~in~~ on NEO-L**

(1) **Order Modifiers - Time-in-force Conditions ~~for Listed Securities Only~~**

[...]

*Iceberg*

A Limit Order that specifies a total size and a disclosed size. Once the disclosed size is executed in full, another order (within the maximum and minimum size specified by the user) will be displayed with priority corresponding to the release time, and the undisclosed size, or reserve, will be reduced accordingly. ~~The release time and/or displayed size can be randomized, as specified by the user.~~

~~Imbalance Only (IO Late Limit on Close (LLOC))~~ A Limit or Market Order that is eligible and available for execution at the Opening at a defined price or better for a Limit Order, or at any price for a Market Order, where an imbalance exists.

~~An IO order has lower matching priority than non-IO orders.~~

~~IO orders are not visible and do not contribute to COP formation.~~

~~An IO order may only interact with orders to reduce the imbalance identified in an Imbalance Message. Any unfilled volume is cancelled upon completion of the Opening. An eligible pegged Limit on Close order that is only available for entry during the Closing Offset Phase. Where the entered limit price of the LLOC is more aggressive than the Closing Call Reference Price, it will be re-priced to the Closing Call Reference Price. Any unfilled LLOCs will be cancelled upon completion of the Closing Call.~~

[...]

### 6.03 Order Entry and Display Prior to the Opening Call (Opening Call Eligible Securities)

[...]

- (2) Orders residing in on NEO-L that are eligible to participate in the Opening Call ~~will be displayed at their limit price or, for market orders, they~~ will be displayed at the COP and an Imbalance Message is disseminated upon each change to either the COP ~~or,~~ the imbalance, imbalance side, or matched shares.
- ~~(3) An unfilled Limit Order entered in NEO-L during the pre-open session will be available for trading in NEO-L Continuous Trading session.~~
- ~~(4) An unfilled Market Order entered in NEO-L during the pre-open session is booked as a Limit Order for trading in NEO-L Continuous Trading Session at the Opening Price.~~

### 6.04 Calculation of the COP

[...]

- (3) If the imbalances are equal, the price will be the one closest to the previous day's Closing Price; if the two prices are of equal distance to the previous day's Closing Price, the price will be the higher of the two.
- (4) If no Limit Orders or LOO orders eligible to trade in the Opening Call are present in the book, Market Orders and MOO orders are accepted and ~~only~~-priced upon entry ~~of an eligible Limit Order or LOO order~~ at the previous day's Closing Price on NEO-L.

[...]

### 6.05 Opening Call (Opening Call Eligible Securities only)

- (1) The Opening Call for each Opening Call Eligible Security will occur as follows:
  - (a) the Exchange Systems will, if applicable, disseminate a status message following which Members may not submit additional opening interest;
  - ~~(b) if the Assigned Security is eligible, the Designated Market Maker may submit an Imbalance Only order during the Opening Call;~~
  - ~~(c) the Designated Market Maker for its Assigned Security may submit an instruction to open or delay the Opening Call; and~~
  - ~~(d) the Exchange Systems will then proceed to execute eligible orders in the Opening Call, or delay per the Designated Market Maker's instructions for Eligible Assigned Securities.~~
- (2) Orders eligible to trade within the Opening Call will be matched at the COP in the following priority:

[...]

- (c) Next, Limit Orders and LOO Orders at the COP trade with:
  - (i) offsetting orders entered by the same Member, according to time priority, provided that neither order is an anonymous or jitney order; then
  - (ii) offsetting NEO Trader™ orders, according to time priority; then
  - ~~(iii) offsetting orders according to time priority; and~~
- ~~(d) Lastly, IO orders trade with:~~
  - ~~(i) offsetting orders entered by the same Member, according to time priority, provided that neither order is an anonymous or jitney order; then~~
  - ~~(ii) offsetting NEO Trader™ orders; then~~
  - (iii) ~~all other~~ offsetting orders according to time priority.

**Commentary**

*Limit Orders and LOO orders have the same priority. Market Orders and MOO orders have the same priority.*

*The non-displayed portion of iceberg orders are traded at each priority and price level, specifically Market Orders and MOO orders, Better Priced Limit Orders and LOO orders, and Limit Orders priced within the respective matching priority sequence.*

~~All IO orders must be submitted before the Opening Call starts with the exception of the DMM who, for its assigned Listed Securities, can submit an IO during the Opening Call.~~

- (3) Market Orders that are not completely filled in the Opening Call will be booked ~~in~~ [for trading on NEO-L during the Continuous Trading Session](#) as Limit Orders at the ~~GO~~ [Opening Price](#).
- (4) Limit Orders that are not completely filled in the Opening Call will be ~~booked in NEO-L~~ [available for trading on NEO-L during the Continuous Trading Session](#) at the original limit price.
- (5) The unfilled balance of any LOO, ~~or~~ [MOO](#) ~~and IO~~ order will be cancelled immediately after the Opening Call.

**6.06 Delayed Openings (Opening Call Eligible Securities only)**

- (1) The Exchange ~~or the Designated Market Maker~~ may delay the opening of an Opening Call Eligible Security if:
  - (b) the Exchange ~~or the Designated Market Maker~~ determines that it is appropriate due to market conditions or in order to maintain a fair and orderly market.

[...]

**6.09 [Closing Call](#) Order Entry and Display ~~Prior to the Closing Call~~ (Closing Call Eligible Securities)**

- (1) ~~During the pre-closing session until the end of the Continuous Trading Session or a time specified to Members by Notice, MOC and LOC orders can may be entered, amended, or cancelled. Orders entered into the pre-closing session are non-visible. A CCP is not calculated during the pre-closing session and Imbalance Messages will not be published. in the Closing Call Book during the trading day starting at 7:00 a.m. until the start of the Imbalance Phase.~~
- (2) ~~At the end of the Continuous Trading Session, all orders entered in NEO-L that are ineligible for participation in Subject to the availability of the CCP, the Imbalance Message for the Closing Call will expire; any remaining orders are eligible to participate in the Closing Call. All previously entered Closing Call eligible orders entered during the pre-closing session are then inserted into NEO-L to participate in the Closing Call. The Exchange may publish an initial Imbalance Message per symbol containing the imbalance side and quantity based on the~~

~~CCP as calculated at that time. If no CCP is available, an Imbalance Message will not be published. be published at the start of the Imbalance Period until the Closing Call at set time intervals as specified by Notice to Members.~~

(3) During the Imbalance Phase:

(a) Only new MOC and LOC orders may be entered.

(b) MOC orders entered cannot be amended or cancelled.

(c) LOC orders entered cannot be cancelled. The price of LOC orders may be amended, but only where the amendment will result in a more aggressive buy or sell price.

(d) If the CCP is available, the Exchange will publish an Imbalance Message on a per-symbol basis based on the CCP as calculated at that time. If no CCP is available, an Imbalance Message will not be published.

(4) During the Closing Offset Phase:

(a) Only new LLOC orders may be entered.

(3b) ~~Until the end of the Closing Call, any previously entered LOC and MOC orders may be amended or cancelled; new~~ New MOC and LOC orders ~~may also~~ cannot be entered, ~~amended or cancelled. All orders entered into the Closing Call after.~~

(c) MOC, LOC, and LLOC orders entered cannot be amended or cancelled.

At the end of the Continuous Trading Session ~~are visible,~~ all entered orders on NEO-L that are eligible for participation in the Closing Call will be included in the Closing Call. Any remaining entered orders on NEO-L ineligible to participate in the Closing Call will be eligible for trading in the Extended Trading Session.

(4) ~~Any new orders, or amendments and cancellations of previously entered orders that affect the imbalance side or quantity based on the CCP as calculated at that time, or that change the CCP, will result in the publication of a new Imbalance Message.~~

(5) MOC, LOC, and LLOC orders entered during all phases of the Closing Call are non-visible.

## 6.10 Calculation of the CCP

(1) For the purposes of the Closing Call, the CCP is calculated as the single price whereby the trading volume of orders residing in the Closing Call Book and on NEO-L that are eligible to participate in the Closing Call is maximized.

[...]

(3) If the imbalances are equal, the price will be the one nearest to the last traded price ~~in~~ on NEO-L; if the two prices are of equal distance to the last traded price on NEO-L, the price will be the higher of the two. If no trades have occurred on the security, it will use the previous day's Closing Price.

[...]

## 6.11 Closing Call (Closing Call Eligible Securities only)

[...]

(2) Orders eligible to trade within the Closing Call will be matched at the CCP in the following priority:

(a) First, MOC Orders trade with:

(i) offsetting orders entered by the same Member, then against offsetting NEO Trader™ orders by the same Member according to time priority, then all other offsetting orders by the same Member, according to the time priority of the offsetting order, provided that neither order is an anonymous or jitney order; then

- (ii) offsetting NEO Trader™ orders, according to time priority; then
- (iii) with all other offsetting orders, according to time priority;
- (b) Next, better-priced Limit ~~and~~, LOC, and LLOC orders trade with:
  - (i) offsetting orders entered by the same Member, then against offsetting NEO Trader™ orders by the same Member according to time priority, then all other offsetting orders by the same Member, according to the time priority of the offsetting order, provided that neither order is an anonymous or jitney order; then
  - (ii) offsetting NEO Trader™ orders; then
  - (iii) all other offsetting orders according to time priority;
- (c) Then Limit ~~and~~, LOC, and LLOC Orders at the CCP trade with:
  - (i) offsetting orders entered by the same Member, then against offsetting NEO Trader™ orders by the same Member according to time priority, then all other offsetting orders by the same Member, according to the time priority of the offsetting order, provided that neither order is an anonymous or jitney order; then
  - (ii) offsetting NEO Trader™ orders, according to time priority; then
  - (iii) orders according to time priority.

**Commentary**

*Limit Orders ~~and~~, LOC and LLOC Orders have the same priority.*

[...]

- (4) The unfilled balance of any ~~LOC and~~ MOC, LOC, and LLOC order will be cancelled immediately after the completion of the Closing Call.

**6.12 Delayed Closing (Closing Call Eligible Securities only)**

- (1) The Exchange may delay the closing of a Closing Call Eligible Security for a period of ten minutes if:
  - (a) the CCP for the security exceeds the price band parameters set by the Exchange and provided to Members by way of a Notice, or
  - (b) the Exchange determines that it is appropriate due to market conditions.

[...]

- (2) In the event of a delayed closing, the Exchange will publish, at the time of transition into the delayed closing, a message ~~containing the affected symbol~~ identifying the security that is subject to the delay.
- (3) ~~Following the publication of the delayed closing message by the Exchange, any existing orders can~~ New MOC and LLOC orders cannot be entered. New LOC orders may be entered on the contra side of the imbalance at a limit price that is within the closing price threshold range as specified by Notice to Members. MOC, LOC, and LLOC orders entered cannot be amended or cancelled. ~~New orders can also be entered to participate in~~ The Imbalance Message for the Closing Call will be calculated and published at the start of delayed closing as specified by Notice to Members.
- (4) ~~As new orders are entered, or existing orders are amended or cancelled, the CCP for the security will be recalculated. At a defined time interval specified by Notice to Members, where the CCP for the security no longer exceeds the price band parameters, the Closing Call will attempt to complete at the CCP. Where the CCP for the security still exceeds the price band parameters, a defined subsequent number of attempts will be made at a specified time interval specified by Notice to Members.~~
- (5) At the end of the delayed closing, if the CCP ~~for the security still~~ exceeds the ~~price band parameters the CCP will be subject to a~~ closing price threshold. ~~The~~ range as specified by Notice to Members for such security, the Closing Call will complete at the price ~~which maximizes the tradable volume inside~~ at which most volume will



trade, leaving the smallest imbalance, where the price does not exceed the closing price threshold.~~The closing price threshold will be specified by Notice to Members range.~~ Any unfilled MOC, LOC, and LLOC orders will be cancelled immediately following the Closing Call.

#### 6.15 Odd Lot Facility Trading Following the Opening Call

[...]

- (3) If no trades are executed in the Opening Call, Odd Lot Market Orders entered in the pre-open will attempt to execute at the NBBO (if it is available); following that, unexecuted Odd Lot Market Orders will be booked as Odd Lot Limit Orders at the Opening Price. Odd Lot Limit Orders will be booked at their limit price.

[...]

#### 8.02 Additional Orders and Modifiers Available ~~in~~ on NEO-N

[...]

Mixed Lot                                  A Limit Order or Market Order containing at least one Board Lot and an Odd Lot.

Odd Lot                                      A Limit Order or Market Order containing less than one Board Lot.

[...]

#### 8.07 Odd Lot Facility

- (1) Odd Lot Orders (and the Odd Lot Order portion of a Mixed Lot Order) will be eligible for entry and auto-execution in the OLF during the Odd Lot Session.
- (2) Odd Lot Orders (and the Odd Lot Order portion of a Mixed Lot Order) may be entered for trading during the during the Odd Lot Session of NEO-N.
- (3) Odd Lot Orders (and the Odd Lot portion of Mixed Lot Orders) for securities that do not have a Designated Market Maker or Odd Lot Trader and security types for which there is no OLF will be rejected. The Exchange will publish by Notice to Members the securities and/or security types for which there is no OLF.
- (4) Incoming Odd Lot Market Orders:
  - (a) will be auto-executed by the Designated Market Maker or Odd Lot Trader at the time of order entry, at the NBBO.
- (5) Incoming Odd Lot Limit Orders:
  - (a) with a limit price equal to or better than the NBBO will be auto-executed by the Designated Market Maker or Odd Lot Trader at the time of order entry, at the NBBO, and
  - (b) all other Odd Lot Limit Orders will be cancelled back to the originator.
- (6) Incoming Mixed Lot Orders.
  - (a) the Board Lot portion will trade in accordance with Section 8.04, and
  - (b) the Odd Lot Order portion will trade in accordance with Sections 8.07(4) and 8.07(5).

#### 8.08 Unfair Trading in Odd Lots

- (1) See Section 6.18

[...]

## 9.02 Additional Orders and Modifiers Available in MATCHNow

[...]

### MinQty

A minimum fill quantity, which may be satisfied through the combination of multiple consecutive fills of offsetting orders. When the remaining size on an order is less than the defined MinQty, then MinQty will be automatically set to the remaining size, but only if the "Resize Minimum Quantities" attribute is enabled. Ignored if TrueMinQty is also specified.

[...]

### Resize Minimum Quantity

Where the remaining size of an order after partial execution is less than the defined MinQty or TrueMinQty, the applicable minimum is automatically decreased to the remaining size.

### True MinQty

Each fill must be at least the size specified as TrueMinQty; a combination of offsetting orders, each of which does not satisfy the TrueMinQty, will not suffice. When the remaining size on an order is less than the defined TrueMinQty, then TrueMinQty will be automatically set to the remaining size, but only if the "Resize Minimum Quantities" attribute is enabled. The order is rejected if TrueMinQty is an odd or mixed-lot quantity.

### **Commentary**

For additional ~~defined terms and other~~ functionality information unique to the MATCHNow Trade Book, please see the ~~In-Detail Specification~~ [Trading Functionality Guide](#).

[...]

## 9.04 Continuous Trading Session in MATCHNow

- (1) [In MATCHNow, orders from all accounts may interact with each other, unless otherwise specified in the ~~In-Detail Specification~~ Trading Functionality Guide.](#)

[...]

## 9.08 Conditionals

[...]

- (6) Sponsored Users have access to the following optional features:
- (a) Overtime;
  - (b) "Clean Up"; and
  - (c) "Auto Firm-Up".

### **Commentary**

For up-to-date details on how each Sponsored User feature works, please see the ~~In-Detail Specification~~ [Trading Functionality Guide](#).

[...]

## 10.02 Cross Types

[...]

~~NationalRegular~~ Cross An intentional cross entered at an agreed price during the Continuous Trading Session which at the time of entry was at or within the NBBO, if applicable.

**10.03 Additional Cross Attributes**

~~Non-Aequitas Cross (NAC) A Bypass Cross for an OTS entered after the closing call for the OTS on its listing market at a price equal to the OTS listing market closing price.~~

**10.04**~~10.03~~ **Printing Crosses**

- (1) A Member may report crosses made outside the Trading Books, subject to any regulatory provisions applicable to the entry of crosses.
- (2) ~~NationalRegular~~ Crosses entered during the Continuous Trading Session must be made at a price that is at or within the NBBO.
- (3) Bypass Crosses and specialty price crosses such as Basis, Special Terms and Volume-Weighted Average Price will not be reflected in the Last Traded Price.

**Commentary**

~~A NAC is not available for Listed Securities.~~

If at the time of entry of a ~~NationalRegular~~ Cross the security does not have ~~an~~ NBBO, the Exchange will accept the cross at any price. If the security has ~~an~~ NBB, but no NBO, the cross will be accepted as long as the price is greater or equal to the NBB. If the security has ~~an~~ NBO, but no NBB, the cross will be accepted as long as the price is less or equal to the NBO.

[...]

**12.01 Order Protection Rule Compliance**

[...]

**Commentary**

When determining Protect and Cancel and Protect and Reprice functionality, the Exchange may consider:

- whether a regulatory or non-regulatory trading halt is in effect for the security;
- whether an away marketplace is not in a continuous trading session; or
- whether an away marketplace is not disseminating order information, is not distributing data in relation to its order book in a timely manner or the Exchange considers, in its discretion, that such data is not reliable (this covers the case when a system failure or degradation of service occurs at an away marketplace during continuous trading at that marketplace).

Protect and Reprice ~~is not available~~submitted for FOK or IOC orders in any Trading Book will behave as Protect and Cancel.