

IT Exchange Notice

IT 155/10

IT – INET Nordic – OTF/Production – PRM (Pre Trade Risk Management) services

As of October 25, NASDAQ OMX will make changes to the PRM services in Production. This change is based on member feedback.

In order to synchronize the thresholds for the member optional PRM Services (Fat Finger Checks) after the introduction of Volatility Guards on the NASDAQ NORDIC Exchanges, the following changes will be done to the service:

- New threshold for OMXS30/OMXH25/OMXC20 shares and index ETFs will be set to 3% (before 10%). This means that orders deviating more than 3% from last paid price will be rejected if this service is enabled on one or multiple ports.
- Passive Order checks will be disabled. This means that a passive order deviating more than the given percentage below will be accepted. Entering more aggressive orders than below will lead to a reject.

PRM Settings for the Fat Finger Check:

Liquidity band	PRM setting
OMXS30/OMXH25/OMXC20 shares and index ETFs	3% <i>(Changed)</i>
Liquid (Other shares) and other ETFs	15%
Illiquid shares: First North shares + liqgr C + spread >3%	25%
Penny shares*	
0,25-5DKK SEK 0,025-0,5EUR	50%
0,1-0,25DKK SEK 0,01-0,025EUR	75%
0,05-0,1 DKK SEK 0,005-0,01 EUR	100%
0-0,05SEK DKK 0 – 0,005 EUR	200%

Time schedule	OTF	Production
Passive Order checks will be disabled	2010-10-13	2010-10-25 - Complete. We will begin to stage the rollout from 2010-10-19. 2010-10-25 all affected ports will have the changed behavior accepting off-priced passive orders.
Index shares PRM price check threshold will be reduced to 3%	2010-10-13	2010-10-25

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Best Regards,
NASDAQ OMX Nordic