Exchange Notice   2014-08-20

IT 77/14

IT – INET OTF – Sold-Out Buy-Back for Warrants, Certificates and Exchange Traded Notes

As previously communicated in IT Notice (71/14), NASDAQ OMX Nordic intends to launch Sold-Out Buy-Back (SOBB) functionality for Warrants, Certificates and Exchange Traded Notes. Sold-Out Buy-Back will be used in production from September 22, 2014 and is available for testing in INET OTF and GCF4 as of August 18, 2014.

The functionality is optional for issuers and can be used in exceptional circumstances where the Market Maker has run out of issued volume. However, as the Sold-Out Buy-Back will impact other participants' ability to send in orders, all participants active in the Warrants, Certificates and Exchange Traded Notes segments should evaluate the impact on their systems.
The start of the Sold-Out Buy-Back is indicated by the dissemination of the note code for the impacted order book through the "Order Book Directory" message in ITCH.
The end of the Sold-Out Buy-Back and the removal of the Note Code leads to ITCH relaying an "Order Book Directory" message with an updated Note Code field for the order book.

Protocol changes

OUCH:
A new value is added to the Reason field of the Rejected Order Message (section 2.2.6):
- Reason = "I" - Invalid Side

The new reject Reason will be used during Sold-Out Buy-Back when:
- A client sends a buy order and;
- A market maker sends a sell order.

TotalView-ITCH:
A new value is added to the Note Codes field of the Order Book Directory message (section 4.3.1):
- 2 097 152 = "SO" - Sold-Out Buy-Back

The new Note Code will be used to indicate that a symbol is subject to Sold-Out Buy-Back rules.

GCF TIP:
In TIP, the note code is relayed through the Basic Data Tradable message BDt or intraday in the real-time Notification message NOt.

Protocol specifications

Next versions of INET protocol specifications are available at the NASDAQ OMX Technical Information website, under INET Nordic Future Protocol Specifications.

Time plan

The Sold-Out Buy-Back functionality is planned for launch:
- INET Test (OTF), GCF 4 – August 18, 2014
- INET Production – September 15, 2014

- Please note that although the new node code will be implemented on September 15, it will start to be used from September 22, 2014

OTF Test setup
• Testing during week 34
A selection of symbols, as outlined in the attached document, will have a persistent SO (SOBB) Note Code in OTF test facility from August 21, 2014.

• Testing from week 35 onwards (from Aug 25, 2014)
A selection of symbols, as outlined in the attached document, will have the new SO (SOBB) Note Code in OTF test facility daily, according to the following schedule:

Time CET	State
09:30	SOBB for 60 Minutes
11:00	SOBB for 60 Minutes
12:30	SOBB for 60 Minutes
14:00	SOBB for 60 Minutes
15:30	SOBB for 60 Minutes

A selection of symbols, outlined in the attached document, will have a persistent SO (SOBB) Note Code in OTF test facility throughout the test period.
Updated OTF test schedules are available at the NASDAQ OMX INET Nordic Testing web page.
Warrant issuers: please note that production IDs of Market Makers can be used to test the Sold-Out Buy-Back without further configuration.

Issuer setup
Issuers who want to be set up to use the Sold-Out Buy-Back functionality should contact Issuer Surveillance at DL-ILASTO@nasdaqomx.com. This should be done prior to the Market Maker wanting to use the functionality for the first time. NASDAQ OMX Nordic recommends that issuers/Market Makers test the functionality prior to using it in Production.

INET Nordic Market Model
The changes will be reflected in the Market Model valid from and published no later than September 22, 2014.

If you have any questions regarding this Exchange Notice, please contact NASDAQ OMX Tech Support at: +46 8 405 6410, operator@nasdaqomx.com.

Best regards,
NASDAQ OMX Nordic