

IT – INET Nordic – REMINDER – Soft Knock Note Code for Warrants, Certificates and Exchange Traded Notes (40/15)

As previously communicated in IT Notices ([28/15](#) and [32/15](#)), Nasdaq Nordic will introduce a “Soft Knock” Note Code for Warrants, Certificates and Exchange Traded Notes (ETN). The Note Code will be available on Nasdaq Copenhagen, Helsinki and Stockholm. Soft Knock will be available for INET production from July 20, 2015 and has been available for testing in INET OTF and GCF4 as of June 8, 2015.

Soft Knock is an optional functionality for issuers of Warrants, Certificates and Exchange Traded Notes. Where a certain barrier level is reached, the issuer may request the instrument in question to be placed in Soft Knock by Nasdaq Nordic. The barrier level will be detailed in the final terms or other official documentation for the instrument. The request for Soft Knock will be evaluated by Nasdaq Nordic and where grounds exist for Soft Knock, it will commence by the instrument being placed in “Trading Halt- Knock Out” and by the dissemination of a Soft Knock note code. The order book will be flushed. Trading in the instrument will commence no earlier than the next trading day.

At the end of the Soft Knock period, the issuer will contact Nasdaq Nordic to request the termination of the Soft Knock for the instrument in question. The Soft Knock note code will be removed, leading to ITCH relaying an “Order Book Directory” message with an updated Note Code field for the Order Book. Market participants should refer to the issuer’s website for relevant updates in reference data related to the Soft Knock event.

The start of the Soft Knock 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 Soft Knock and the removal of the Note Code lead to ITCH relaying an “Order Book Directory” message with an updated Note Code field for the order book.

INET identifiers:

Market segments impacted by the additional note code:

Exchange / MIC	Segment name	Segment symbol	Currency	Seq. no	GCF ID
XSTO	OMX STO Warrants	SEEQ WAR	SEK	4	21
XSTO	OMX STO Certificates	SEEQ CERT	SEK	160	256
XSTO	OMX STO Exchange Traded Notes	SEEQ COM	SEK	158	264
XHEL	OMX HEL Covered Warrants	FIEQ WAR	EUR	64	93
XHEL	OMX HEL Certificates	FIEQ CERT	EUR	159	258
XHEL	OMX HEL Exchange Traded Notes	FIEQ COM	EUR	157	456
XCSE	OMX CPH Warrants	DKWA WAR	DKK	167	308
XCSE	OMX CPH Certificates	DKWA CERT	DKK	168	310
XCSE	OMX CPH Exchange Traded Notes	DKEQ COM	DKK	357	458

TotalView-ITCH:

A new value is added to the Note Codes field of the Order Book Directory message (section 4.3.1):

- 4 194 304 = “SK” - Soft Knock

The new Note Code will be used to indicate that a symbol is subject to Soft Knock.

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 Nordic Technical Information website, under [INET Nordic Protocol Specifications](#).

Time schedule:

The Soft Knock Note Code is planned for launch:

- INET Test (OTF), GCF 4, GCF EXT2 – as of June 8, 2015.
- GCF Production – June 17, 2015
- INET Production – July 20, 2015.

INET Nordic Market Model:

Changes are reflected in the [Market Model](#) valid from July 20, 2015.

Questions and feedback:

If you have any questions regarding this Exchange Notice, please contact Cash Equity Operations at: +46 8 405 6410, operator@nasdaq.com.

Best regards,

Nasdaq Nordic

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