

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Nasdaq CXC Limited – Proposed Public Interest Rule Change – Notice of Withdrawal

NASDAQ CXC LIMITED

NOTICE OF WITHDRAWAL

PROPOSED PUBLIC INTEREST RULE CHANGE

In accordance with the Process for the Review and Approval of Rules and Information Contained in Form 21-101F1 and the Exhibits thereto (the “Protocol”) in Schedule 4 of the Ontario Securities Commission recognition order recognizing Nasdaq CXC Limited (Nasdaq Canada) as an exchange, Nasdaq Canada has withdrawn its proposal to change the reference price for auto-execution fills for odd lot trading from the Protected National Best Bid and Offer to the Consolidated National Best Bid and Offer published for comment on October 1st, 2020. To the extent that Nasdaq Canada decides to pursue the proposal again, it will be published for comment in accordance with the requirements of the Protocol.

APPENDIX A
TEXT OF AMENDMENTS TO THE TRADING RULES AND POLICIES

1.1 Definitions and Interpretation

Consolidated National Best Bid and Offer or "CNBBO"	The best bid and best offer of at least one Board lot displayed on all marketplaces.
Consolidated National Best Bid or "CNBB"	The best bid of at least one Board Lot displayed on all marketplaces.
Consolidated National Best Offer or "CNBO"	The best offer of at least one Board Lot displayed on all marketplaces.

5.11 Odd Lot Trading

Each Nasdaq Canada Trading Book provides Members with guaranteed fills at the CNBBO for Odd Lot IOC marketable orders. Odd Lot trading has the following features:

1. Odd Lot orders that are not IOC or immediately marketable are canceled back.
2. Odd Lot execution is available between 9:30 am and 4:00 pm ET or as otherwise determined by the Exchange.
3. The Exchange System will accept either Mixed Lots or Odd Lots that are marked IOC.
4. Odd Lot executions will be filled at the NBBO if the CNBBO for a security is in a locked or crossed condition.
5. Odd Lot execution is not allowed when the NBBO for a security is in a locked or crossed market condition.
6. Members are not permitted to send two or more orders that would trigger auto-execution by Odd Lot Members as this would violate the just and equitable principles imposed by UMIR Policy 2.1. This would include, for example, shredding a Board Lot order.
7. Members may not enter the Odd Lot portion of a Mixed Lot order immediately prior to entering the Board Lot portion.
8. Odd Lot trading is subject to the policies imposed by UMIR prohibiting unfair trading practices, including but not limited to the following activities:
 - a. Effecting pre-arranged wash sales in Odd Lots, which are trades in which an offer to buy is coupled with an offer to sell back at the same or advanced price (or vice versa).
 - b. Entering orders for the purpose of affecting the execution price of the Odd Lot trades.
9. If a Member is engaged in Odd Lot trading activity that is unfair, the Exchange may restrict the Member or suspend the Approved Trader from Odd Lot Activity or take other action that is appropriate under the circumstances.