

Appendix 1 – Proposed Amendments to UMIR (clean)

1.1 Definitions

“**U.S. inter-listed security**” means a listed security that is also listed on an exchange that is registered as a “national securities exchange” in the United States of America under section 6 of the Securities Exchange Act of 1934.

6.1 Entry of Orders to a Marketplace

- (1) No order to purchase or sell a security that is not a U.S. inter-listed security shall be entered to trade on a marketplace at a price that includes a fraction or a part of a cent other than an increment of one-half of one cent in respect of an order with a price of less than \$0.50.
- (1.1) No order to purchase or sell a security that is a U.S. inter-listed security shall be entered to trade on a marketplace at a price that is in an increment smaller than the applicable trading increment as designated from time to time by the Market Regulator.
- (2) Each order to purchase or sell a listed security or a quoted security entered to trade on a marketplace shall be subject to any special rule or direction issued by the Exchange on which the security is listed or by the QTRS on which the security is quoted with respect to:
 - (a) clearing and settlement; and
 - (b) entitlement of the purchaser to receive a dividend, interest or any other distribution made or right given to holders of that security.
- (3) Notwithstanding subsections (1) and (1.1), an intentional cross may be entered on a marketplace at a price which is a fraction of a trading increment provided the execution price is a better price for both the order to purchase and the order to sell.

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