



Toronto Stock  
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TSX Venture  
Exchange

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# Cancel on Disconnect

Cancel on Disconnect (COD) helps users mitigate risks associated with managing open orders on Toronto Stock Exchange (TSX), TSX Venture Exchange (TSXV) and TSX Alpha Exchange (TSXA). COD is an optional feature that will restrict order entry on user-specified session bundles and attempt to cancel all open orders upon an involuntary loss of connectivity between the client and the Exchanges.

Once COD is triggered, the associated session bundle will be blocked, new orders entered on that order entry port will not be accepted and order acknowledgements will not be sent. All open orders pertaining to the triggered session bundle will be cancelled, with the exception of duration orders (i.e. GTC/GTD), MOC/LOC orders, and orders on stocks in a stock state that does not allow order cancellation (e.g. stock state is inhibited). A session can only be re-activated after a COD event by contacting our Trading Services team at [416 947-4357](tel:4169474357) or [416 947-4705](tel:4169474705).

COD is available in post open (9:30am-4:00 pm) on TSX, TSXV and TSXA. It is also available during extended hour cancellation (4:10pm-4:15pm) and extended hours (4:15 pm – 5:00 pm) sessions. COD will be available throughout continuous trading (8:00am-5:00pm) on TSXA.

COD functionality is available for all gateway sessions connecting to the Exchanges. Order cancellation confirmation messages as result of COD will be designated with specific FIX (for order entry) and STAMP (for market data feeds) tags.

To enable the COD feature, the COD Application Form must be completed and submitted to a TSX Equities Account Manager by a TSX Participating Organization, TSXV Member or TSXA Member, including for DMA client sessions through which access to the Exchanges is provided.

## CONFIGURATION

Clients have the ability to specify one of the following levels of COD service for each enabled session:

### LEVEL 1 <sup>1</sup>

If a session is enabled for Level 1, COD will be triggered if there is no activity in the session for two consecutive heartbeat<sup>2</sup> periods.

### LEVEL 2 <sup>3</sup>

If a session is enabled for Level 2, COD will be triggered if there is no activity in the session for two consecutive heartbeat periods or if the session gets disconnected from the client side without TMX receiving any log-out or sign-off request from the client (i.e. abnormal/socket disconnect).

### LEVEL 3

If a session is enabled for Level 3, COD will be triggered if there is no activity in the session for two consecutive heartbeat periods or if the session gets disconnected from the client side without the Exchanges receiving any logout or sign-off requests from the client or if the client is gracefully disconnected after the Exchanges receive the log-out/sign-off request from the client.

For all three levels of service, if an order is cancelled due to a COD trigger, order cancellation confirmation messages with a COD indicator will be sent once reconnection on the associated sessions is established.

<sup>1</sup> Application Layer of the TCP/IP protocol

<sup>2</sup> Default setting for heartbeat interval is at 30 seconds per heartbeat

<sup>3</sup> Network Layer includes Application Layer of the TCP/IP protocol

## CONFIRMATION AND ACKNOWLEDGMENT

All open order cancellations as result of COD will be populated in a specific field on the daily diary reports for removed orders and on the COD optional FIX (for order entry) and STAMP (for market data feeds) tags.

CANCEL ON DISCONNECT	FIX TAGS DEFINED/RESERVED	PRIVATE TBF TAGS DEFINED/RESERVED
Optional tags to specify cancellation reasons as result of COD	Order Execution Report  7727 TSXExecCancelledReason = 1 (default)	Order/Cancel Confirmation Report  608 CancelledReason = 1 (default)

## ADDITIONAL INFORMATION

For technical specifications regarding the specific tags used to support this feature please refer to the latest TSX FIX protocol specifications, or contact Trading Services at **416 947-4357** or **416 947-4705**.

Any questions related to COD or the Application Form can be directed to your TSX Equities Account Manager at **877 421-2369** or **trading\_sales@tsx.com**