

## UNITING DARK AND LIGHT LIQUIDITY TO DEFRAGMENT THE MARKET FOR BLOCK ORDERS

NYSE Euronext<sup>SM</sup> and BIDS Trading<sup>SM</sup> are pleased to introduce a new and innovative approach for accessing block liquidity: the New York Block Exchange. NYBX matches dark orders by continuously searching the NYSE order book, trading with displayed, reserve and hidden interest on the NYSE while keeping order details completely anonymous.

- NYBX is available to:
  - BIDS Trading customers via the BIDS ATS. BIDS Trading users can opt in to NYBX for all orders or on an order-by-order basis.
  - NYSE members
  - Participants sponsored by NYSE members
- The NYBX combines the biggest global exchange with BIDS Trading, representing 11 of the largest broker/dealers in the world.
- NYBX complements existing BIDS ATS dark-pool matching by providing additional sources of both dark and light liquidity.
- NYBX complies with Reg. NMS obligations.

### TRADING HOURS

Pre-opening order entry:  
3:30 A.M. ET to 9:30 A.M. ET

Core Trading:  
9:30 A.M. ET to 4:00 P.M. ET

NOTE: NYBX orders will not participate in the NYSE Opening or Closing prints. NYBX opens each security after the 1st quote is received from the primary market after 9:30 a.m. ET in that security.

## HOW IT WORKS

Orders entered into NYBX are held in the NYBX order book. The NYBX book continuously scans for matches internally and within the NYSE order book to find liquidity. Criteria may be placed on the order to manage marketability – such as a minimum size feature also known as the Minimum Triggering Volume (MTV). If there is sufficient contra-side liquidity in the NYSE book, the NYBX book or in combination, the system will attempt to execute all or part of the order.

- All orders are executed anonymously and NYSE floor participants do not know that the order came from NYBX or the NYBX participant.
- Executions are printed to the NYSE tape. Executions in which the NYSE book was part of the trade will print to the tape as “N.” Executions where the NYBX book was part of the trade will print to the tape as “N.X.”
- BIDS Trading users have the additional advantage of using the flexible tools of the BIDS ATS (negotiations, BIDS Scorecards and Filters and Conditional orders).

## ELIGIBLE ORDER TYPES AND MODIFIERS

ORDER TYPE/MODIFIERS	DESCRIPTION
LIMIT ORDER	An order to buy or sell a stated amount of shares at a specified price or better.
DAY ORDER	Any order to buy or sell a security that automatically expires if not executed on the day the order is placed.
GOOD TILL TIME (GTT)	An order that remains active until a specific time during the day at which point it expires.
MINIMUM TRIGGERING VOLUME (MTV)	The minimum size desired to trigger an execution attempt.
PEGS	DESCRIPTION
PRIMARY PEG	An order that is pegged to buy at the National Best Bid (NBB) or sell at the National Best Offer (NBO). The order may include an instruction to peg to the NBB or the NBO plus or minus the Exchange's Minimum Pegged Value (MPV).
MARKET PEG	A market order that is pegged to buy at the NBO or sell at the NBB plus or minus the Exchange's MPV.
MIDPOINT PEG	An order with instructions to execute at the midpoint of the National Best Bid and Offer (NBBO). This type of pegging order will provide for an instruction to peg to the midpoint of the NBBO plus or minus the Exchange's Minimum Pegged Value.

## ELIGIBLE SECURITIES

NYSE (Tape A), NYSE Alternext (formerly AMEX) and NYSE Arca (Tape B), and NASDAQ (Tape C) listed securities will ultimately be supported. However, only NYSE Listed (Tape A) will be supported for initial launch.

## DROP COPIES AND EXECUTION COPIES

- FIX Drop copies — Copies of execution reports are available for clearing firm, back office and compliance purposes.
- ArcaVision for NYBX — ArcaVision logins are available for NYBX participants who want to access execution reports in CSV format or via FTP.
- Registration for Drop and Execution Copies — Is done when filling out the NYSE connectivity form.

## CLEARING AND SETTLEMENT

- Transactions that are entered directly to the NYSE clear as locked-in trades and are reported to the Depository Trust and Clearing Corporation (DTCC).
- NYBX is an anonymous trading platform; therefore order information is not displayed to the public or to NYSE members. As an anonymous trading facility contra party and clearing firm details are not revealed. National Securities Clearing Corporation (NSCC) clearing participants will clear their trades against "ANON," preserving anonymity through settlement.
- All trades settle regular way and will be cleared on the NYSE RIO contracts (MRO — AutoRoute# 02143125). If you are not currently set up to receive NYSE RIO please contact your DTCC representative.

### DTCC CUSTOMER SERVICE

+ 888 382 2721 (U.S. and Canada)  
+ 212 855 8099 (International)

### NYBX CLEARING QUESTIONS (NYSE ARCA SUPPORT)

+ 312 960 1362

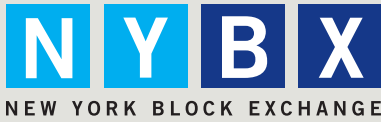
## CONNECTIVITY

NYBX may be accessed by NYSE members using the NYSE Arca Multi-Product FIX Gateway, using existing mnemonics. Connectivity details for NYBX are on the NYSE Arca FIX Specification beginning in Section 13.

<http://www.nyse.com/technologies/sfti/1157710277534.html> - web page

[http://www.nyse.com/pdfs/FIX\\_Specification\\_and\\_API.pdf](http://www.nyse.com/pdfs/FIX_Specification_and_API.pdf) - specification

To coordinate certification testing, please contact [fix@NYSE.com](mailto:fix@NYSE.com) or the NYSE FIX Hotline at + 888 689 7739



A JOINT VENTURE BETWEEN THE NYSE AND BIDS HOLDINGS

WWW.NYBX.COM

## ACCESSING NYBX

NYSE Customers: NYBX is open to all NYSE members and Sponsored participants. Before access is granted, all users must execute and deliver the NYBX Service and Access Agreement. You can find this agreement on the NYBX website at [www.nybx.com](http://www.nybx.com). The agreement should be completed and delivered to Client Relationship Services at [crs@nyx.com](mailto:crs@nyx.com).

BIDS Trading Customers: NYBX is open to all BIDS Trading users. Simply contact us at [info@bidstrading.com](mailto:info@bidstrading.com) to opt-in to the NYBX.

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## BECOMING AN NYBX PARTICIPANT

NYBX is available to all NYSE members and their sponsored firms as well as BIDS Trading users. NYSE Euronext Participants simply need to fill out an NYBX connectivity form. A BIDS Trading or NYSE Euronext Relationship Manager can guide you through the process.

## NYSE Euronext

Please contact any of the following:

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## BIDS Trading

Please contact us directly at:

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