

**Date:** November 25, 2008

**Audience:** NYSE Bonds Traders and Constituents

**Subject:** NYSE Alternext Bond Trading Migration to New NYSE Alternext Bonds Platform

**Action:** None

**Summary:** NYSE Euronext announced that on Monday, December 1, 2008 all NYSE Alternext (formerly American Stock Exchange) listed bonds will transfer from the Alternext floor to a new electronic trading platform similar to NYSE Bonds called NYSE Alternext Bonds. Like NYSE Bonds, this new electronic trading platform is based on the design of NYSE Arca's comprehensive matching technology allowing NYSE Members to enter orders to buy or sell bonds electronically. All NYSE Alternext listed bonds will remain listed on the NYSE Alternext SRO and will trade on NYSE Alternext Bonds.

All open Alternext Bond orders on the current trading floor will be cancelled at the close of trading on November 28, 2008 and will not be transferred to NYSE Alternext Bonds on Monday December 1, 2008.

For a list of all the NYSE Alternext Bonds listings please refer to the following link:  
[http://www.nyse.com/attachment/NYSE\\_Alternext\\_Bonds.xls](http://www.nyse.com/attachment/NYSE_Alternext_Bonds.xls)

#### **Trading Sessions & Bond Auctions**

Bonds can be traded in three continuous sessions:

- Early Trading: 4:00 a.m. ET to 9:30 a.m. ET
- Core Trading: 9:30 a.m. ET to 4:00 p.m. ET
- Late Trading: 4:00 p.m. ET to 8:00 p.m. ET

NYSE Alternext Bonds conducts two daily bond auctions: The Opening Bond Auction at 4:00 am ET and the Core Bonds Auction at 9:30 am ET. Orders not executed in either auction become eligible for continuous trading immediately after the auction.

#### **Eligible Order Types**

Both Limit, Good to Cancel (GTC) and Reserve orders ranging from one bond to one million bonds can be traded.

NYSE Alternext bonds that have a coupon rate will trade with interest that is the accrued interest will be added to the net settlement price to the settlement date of the transaction instead of trading flat. Example: a trade with a price of 100 in the system that has accrued interest to settlement of \$10 will be reported to NSCC as \$1,010 per bond for the original order placed at 100 in the system. If a bond trades flat on the NYSE Alternext it will be identified in the trading action field as trading flat.

### **Market Data**

NYSE Alternext publishes both a real-time last sale data feed and a real time depth of book data feed of all bond transactions that uses the same ArcaBook market data feeds as NYSE Bonds. Please note that the dissemination through the equity consolidated tapes will be discontinued for NYSE Alternext Bond Products. An “A” in the exchange field will represent NYSE Alternext bond orders and trades.

The feeds are available as subscriptions through existing ArcaBook connections. Please refer to this link to receive the specifications to request the feed from your ArcaBook connection:

<http://www.nyxdata.com/nysedata/default.aspx?tabid=713>

These data feeds are also available through various quote vendors.

### **Accessing and Connecting to NYSE Alternext Bonds**

The NYSE Alternext Bond platform can be accessed by eligible NYSE and NYSE Alternext Members or sponsored non-members. NYSE Alternext Bonds uses the same connectivity solutions at NYSE Bonds. You can connect to NYSE Alternext Bonds using your NYSE Arca FIX connection or by subscribing to RealTick, an analytical and trade order entry system designed by Townsend Analytics.

- **FIX Connection (Chapter 6):** [http://www.nyse.com/pdfs/FIX\\_Specification\\_and\\_API.pdf](http://www.nyse.com/pdfs/FIX_Specification_and_API.pdf)
- **Real Tick:** <http://www.nyse.com/tradingsolutions/connectmarkets/1158574353919.html>

### **Post Trade Processing**

Once a trade has been executed on the platform, the trade details for eligible securities will be transmitted to National Securities Clearing Corporation (NSCC) for clearance and settlement via the Regional Interface Organization (RIO).

For more information regarding the clearance and settlement, and any other questions please contact a NYSE Alternext Bonds Sales Representative at 212-656-BOND (2663) or e-mail [bonds@nyx.com](mailto:bonds@nyx.com) to receive more information.

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