

Trading Technology

November 24, 2008



TO: All Members and Member Organizations/Chief Operations Officers/Managing Partners/Operations Managers/Data Processing Managers and P&S Managers of Member Organizations/OCS Users/IDCE Users

SUBJECT: NYSE/Amex Integration – Comparison Processing

PT 152

Effective with trades of Monday, December 1, 2008, all NYSE Alternext Equities integrated onto the NYSE Trading Platform will be subject to NYSE comparison processing rules and procedures. NYSE Alternext Equities will be eligible for NYSE Omnibus processing and comparison processing will be migrated to the On-Line Comparison System (OCS). **It is recommended that all Amex Equities uncomparing trades from November 28th and older be resolved in IDCE by the close of business Friday, November 28, 2008.** Listed below is a brief summary of the changes regarding NYSE Alternext comparison processing.

November 28, 2008 (Friday)

Participants are reminded that November 28th is an early close on the Amex and equity trading hours are from 9:30 AM to 1:00 PM. After the close of trading, clearing firms should have staff available to resolve all IDCE uncomparing trades of November 28th.

IDCE

- On November 28, 2008 IDCE will be available for the resolution of uncomparing trade from 6:00 AM to 6:00 PM. The IDCE system **will not** be operational after November 28.
 - Any uncomparing trades remaining in IDCE after this date **will be lost**
 - Any uncomparing Stepout transactions after this date **will be lost**
- Amex omnibus accounts, such as PER and APEX will not be eligible for processing on the NYSE comparison platform. If you attempt to submit an Amex omnibus account to OCS on Monday it will be rejected.

Note: If you are unable to resolve items on IDCE on November 28, you should notify the DK room.

- If items remain at the end of the day:
 - NYSE Clearing Firms (non-Omnibus accounts) can re-enter the items into OCS starting December 1.
 - Any Omnibus items will need to be resolved through DTCC using journal entries.

NSCC

- Items resolved in IDCE on Friday will appear on Amex contract output (product ID 02103037- MRO, 02010178 – print, 02010094 – adjustment print)

Any IDCE processing questions should be forwarded to Peter Fetiak (212) 306-1472 or the DK Room (212) 306-1757

Amex will issue a companion notice with details of the processing on Amex systems and their decommissioning.

December 1, 2008 (Monday) and going forward

OCS

NYSE Alternext Equity comparison data will begin appearing intermingled along with NYSE comparison data on the NYSE OCS product screens. NYSE Alternext Equities will be eligible for the OCS Equity Comparison product and the OCS Step-out Service (SOS) product. The two products **will not** contain any indication on-line during the business day to distinguish between the two SROs. Although a primary market indicator will appear on the NSCC contract output and the OCS and SOS product end-of-day uncomparing/advisory and unaffirmed/alert files.

- NYSE and NYSE Alternext equities will appear together on the NYSE OCS/SOS product screens
- NYSE Question Trade Rules and procedures will apply to NYSE Alternext equities. Clearing firms are required to submit their trade data to OCS for comparison processing within 30 minutes from the time of execution.
- If a clearing firm is set up for OCS Direct Submission that firms NYSE Alternext traffic will be forwarded to OCS for comparison processing along with the NYSE traffic.
 - Any Amex Mnemonic being migrated to the NYSE wishing to be set up for Direct Submission will need to contact Post Trade Operations (212) 656-2005.
- If a clearing firm is set up for OCS MQM submission NYSE Alternext traffic should be submitted in conjunction with NYSE traffic.
- Existing NYSE crowd-side omnibus accounts will be used such as OARS (752), DOT (769), LMT (789) and YB (685) - same as NYSE comparison, these require submission to OCS.
- Existing NYSE system-side omnibus accounts will be used such as LOC (787), TOD (772), OPN (744) and CRS (713) - same as NYSE comparison, these are processed as locked-in sides and comparison submission is suppressed by clearing firm.
- Existing NYSE Odd-Lot comparison processing will be used, clearing firms will be locked-in against the DMM clearing agent - same as NYSE.
- The existing NYSE OCS Stepout system will be used for both NYSE and NYSE Alternext data.
- NYSE and NYSE Alternext equities will appear intermingled on all OCS and SOS output (activity log, uncomparing/advisory listing, and uncomparing/advisory file). The OCS and SOS end-of-day files will contain identification of NYSE or NYSE Alternext.

NSCC

- All NYSE Alternext trades compared on the NYSE Comparison System will appear in the NYSE (LSN) Listed Contract Output (product ID 02013036 – MRO, 02010168 – print image, 02010092 – adjustment print). A Primary Market Indicator has been added to the Contract Output Intraday File.

Reference Materials:

NYSE PT 148, subject “NYSE/Amex Integration – Post Trade Update” – Dated September 9, 2008

NSCC Important Notice A6735/P&S6305, subject “Changes to Clearance for the NYSE/Amex Integration” – Dated November 7, 2008

Any OCS related questions regarding this circular should be forwarded to John Schwarzbeck (212) 656-5462 or Larry Moreno (212) 656-4648.

Any general NYSE/Amex integration questions please contact your NYSE Relationship Manager or Robert Airo (212) 656-5663.