

Reminder

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PT 121

Date: April 17, 2006

To: All Merged Order Log Users/Operations Managers/Data Processing Managers and P&S Managers of Member Organizations

Subject: **Merged Order Log Cancellation Processing Redesign**

The NYSE is in the process of redesigning how a Cancel or Cancel Replace Order is represented on the Merged Order Log Output. The new process is designed to reduce the number of records on the Machine-Readable file. This enhancement shall be implemented in two phases. An exact implementation date for each phase shall be announced in subsequent circulars.

Listed below is a summary of the changes:

PHASE I MRO File:

Phase I involves appending the Cancel/Cancel Replace Order Information to the existing Admin record in preparation for Phase II. This release is targeted for implementation in June 2006.

Currently a Cancel (or Cancel Replace) Order request is represented as a 1A, 1B or 1C order record on the Entering Firm and Clearing Firm MRO (this process shall continue during phase I). If a Confirm Cancel or a Too Late To Cancel (TLTC) administrative response message is received a 3A Admin record is reflected on the MRO.

To prepare for the elimination of the Cancel (or Cancel Replace) Order record, filler space on the Admin record shall be redefined to disseminate all of the information reflected on the Cancel (or Cancel Replace) Order Request.

PHASE II MRO File:

Phase II involves removal of Cancel/Cancel Replace Order records. All users must be able to process the new Cancel (Admin) when Phase II is implemented.

The Entering Firm MRO (**Product ID 06220174**) and Clearing Firm (**Product ID 06220143**) MRO shall not disseminate the Cancel (or Cancel Replace) Order request as a 1A, 1B or 1C order record when a corresponding 3A Admin record is present. Instead users shall be required to obtain this information from the New Expanded 3A Admin Record introduced during Phase I. This release is targeted for implementation in August 2006.

- In the event a corresponding Confirm Cancel or TLTC Admin Record is not present, the user shall continue to receive the Cancel Order as a 1A, 1B, or 1C record.
- The Admin-Type (Position 74) and Admin Sub-Type (Position 75) values shall remain the same on the new 3A Expanded record.

Print-Image Changes

In conjunction with the change referenced above, a parallel effort is in progress to reduce the number of print lines on the associated print-image reports. Currently on the Entering Firm (**Product ID 06222466**) and Clearing Firm (**Product ID 06010641**) print-image reports, a Cancel Order (or Cancel Replace) request along with the accompanying Admin (confirm cancel or TLTC) is reflected on multiple print lines. This print process shall be modified to reflect that same information on one print line.

MRO Format Changes

Listed below are the new fields that shall be added to the 3A Admin record format.

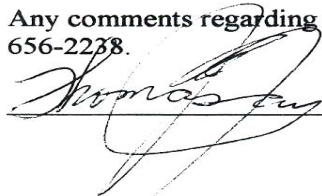
Field Name		Position Start-End	Format (length)	Field Value
CANCEL ORDER STATUS		163-163	X(1)	X – Admin contains cancel order data C – Admin contains cancel/replace order data Space – Admin without cancel or cancel/replace order data Note: Corresponds with Positions 69-69 on the existing 1A, 1B, and 1C records.
For admins with cancel or cancel/replace order data	CANCEL BRANCH SEQUENCE	164-172	X(9)	Firm assigned Branch Sequence (e.g., AAAA99999) of the cancel or cancel/replace order Note: Corresponds with Positions 118-126 on the existing 1A, 1B, and 1C records.
	FILLER	173-176	X(4)	Spaces
	CANCEL TURNAROUND NUMBER	177-182	X(6)	SuperDot-assigned Turnaround number (e.g., AA9999) of the cancel/replace order Note: Corresponds with Positions 112-117, on the existing 1A, 1B, and 1C records.
	CANCEL ORDER TIME	183-188	X(6)	Time (HHMMSS) of the cancel or cancel/replace order Note: Corresponds with Positions 55-60 on the existing 1A, 1B, and 1C records.
	FILLER	189-192	X(4)	Spaces or zeros
	CANCEL ORDER QUANTITY	193-199	X(7)	Quantity on the cancel or cancel replace/order (right-justified and zero-filled, when populated) Note: Corresponds with Positions 74-80 on the existing 1A, 1B, and 1C records.
END OF RECORD		200-200	X(1)	<u>ETX</u> = 1-byte end-of-text character

Testing

It is anticipated that SIAC shall be prepared to support testing with recipients in June 2006. To request a test file, please contact Laura Young-SIAC at (212) 383-9813, (lyoung@siac.com).

Any questions regarding this enhancement should be addressed to Shakisha Tracy (212) 656-5951 or Larry Moreno (212) 656-4648.

Any comments regarding this notice should be directed to the undersigned, Thomas Fay at (212) 656-2238.



Example of the Current Cancel Order fields (1A Record) Corresponding with the New Combined Cancel fields (New 3A Record)

Straight Cancel

CURRENT PROCESS	TA#	BR/SEQ	Time	QTY	Order Status	REF BR/SEQ	REF TA
1A Order	GDGK03	XAH 07046	093749	5000	O	-	-
1A CXL Order	GDGK03	XAH 07046	093822	5000	X	XAH07048	-
3A CXL Confirm	GDGK03	XAH 07046	093823	4000	N/A	N/A	N/A

NEW PROCESS	TA#	BR/SEQ	Time	QTY	Order Status	REF BR/SEQ	REF TA	CXL-COMBINE-IND	CXL-BRSEQ	CXL-TA#	CXL-ORDER-TIME	CXL-ORDER-QTY
1A Order	GDGK03	XAH 07046	093749	5000	O	-	-	N/A	N/A	N/A	N/A	N/A
NEW 3A CXL Confirm/CXL Order	GDGK03	XAH 07046	093823	4000	N/A	N/A	N/A	X	XAH07048	N/A	093822	5000

Cancel/Cancel Replacement

CURRENT PROCESS	TA#	BR/SEQ	Time	QTY	Order Status	REF BR/SEQ	REF TA
1A Order	HPHE02	JMP 00009	093800	2300	O	-	-
1A CXL Order	HPHE02	JMP 00009	094100	300	C	JMP 00013	TBAR02
3A CXL Confirm	HPHE02	JMP 00009	094101	100	N/A	N/A	N/A

NEW PROCESS	TA#	BR/SEQ	Time	QTY	Order Status	REF BR/SEQ	REF TA	CXL-COMBINE-IND	CXL-BRSEQ	CXL-TA#	CXL-ORDER-TIME	CXL-ORDER-QTY
1A Order	HPHE02	JMP 00009	093800	2300	O	-	-	N/A	N/A	N/A	N/A	N/A
NEW 3A CXL Confirm/CXL Order	HPHE02	JMP 00009	094101	100	N/A	N/A	N/A	C	JMP 00013	TBAR02	094100	300