

NYSE Euronext
11 Wall Street
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Trading Technology

June 8th, 2009



TO: All Members and Member Organizations

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

SUBJECT: Upcoming Changes To Stamping Functionality and to OCS Add screen and MQM Requirements

PT 157

Background:

This Notice is being issued to advise all members and member organizations that, in or around September 2009, the On-Line Comparison System (NYSE OCS) will be modified to disable the “Stamp Advisory” function, and require certain fields on screen “adds” and MQM transaction input. Clearing firms are reminded that currently they are required to properly identify items that are submitted to OCS for audit trail compliance. When this enhancement is implemented the system will enforce the existing requirement that these fields be populated. OCS users should review their internal processing and make any appropriate changes.

Stamped Advisories

On September 15, 2006, NYSE Regulation issued Information Memo 06-67 (“NYSE Rule 123(e) and 123(f) – Systemic Capture of Orders and Trade Reports”) The Information Memo provided guidance regarding, among other things, the correct use of Stamped Advisories, including that the stamped advisory function should only be used in an emergency situation (such as a firm experiencing problems with their initial comparison submission) to facilitate the resolution of comparison data. Firms were advised of the data elements required to be submitted to endure compliance with the FESC reporting obligations under NYSE Rule 123(e) and 123(f).

The NYSE has determined that the OCS Stamped Advisory function will be permanently disabled for input by clearing member organizations, absent special or emergency situations. Post Trade Operations will continue to have the ability to enable this function for the limited purpose of resolving emergency situations only.

Summary of Planned Stamped Advisory Changes

OCS Screen

Users attempting to enter an “S” in the Selection code (SC) column of the advisory or uncomparing/advisory screen will receive an error message that the value is invalid.

MQM Input

Users attempting to send an MQM Message with Action Code = 4 (Change Advisory) and DK-Stamp-IND (position 246) = “S” will receive a reject message. The value of “K” which denotes DK (Don’t Know) will continue to be accepted when used with this action code.

OCS Add Function

In conjunction with NYSE Rules 123(e) and 123(f), NYSE Regulation has requested that Clearing Firms submit the fields below on all add transactions to OCS.

OCS “Add” Screen Change:

All Clearing Firm screen adds for Trade Date (T) and As-Of (T + N), including reversals and corrections, will now require the following fields:

- Branch and Sequence
- Entering Firm
- Account Type
- Execution Time
- Badge

If one or more of these fields are not added, the user will receive an error message alerting them that mandatory fields are missing.

MQM Add Transaction Change:

For an MQM as-of (T + N) add: Action Code = 1, users will be required to submit the following fields:

- Branch and Sequence
- Entering Firm
- Account Type
- Execution Time
- Badge

If one or more of these fields are not added, the input message will be rejected. MQM input for Trade Date will not require these fields.

Testing

The OCS test region will be available prior to implementation of these changes. A subsequent notice will be distributed with the exact implementation date and testing availability.

Reference Sources:

Please refer to NYSE Regulation Information Memos 06-67 and 05-13, which provides guidance as to certain regulatory requirements for FESC and OCS.

Questions concerning this Notice or OCS should be directed to John Schwarzbeck at (212)656-5462, or Larry Moreno at (212)656-4648.