NYSE American Options
Broadcast Order Liquidity Delivery ("BOLD") Mechanism
Frequently Asked Questions

1. What is BOLD?

The BOLD Mechanism is functionality available on NYSE American Options (the "Exchange") that provides Exchange Participants ("Participants") the opportunity to source additional liquidity for marketable orders prior to routing, cancelling or posting orders on the Consolidated Book.

2. How does BOLD function?

Upon receipt of an eligible BOLD-designated order, a Request for Quote ("RFQ") message is broadcast over the Exchange's XDP market data feed notifying Participants of available interest at the NBBO. Once the RFQ message has been broadcast, Participants are provided with a period of time ("BOLD Timer") to submit orders or quotes to interact with the BOLD-designated order. Orders received on the opposite side of the BOLD-designated order will be executed as they are received. If the BOLD Timer expires without a response, or if the BOLD-designated order is not executed in full size, the order or any remaining balance thereof, will be routed, cancelled or posted to the Consolidated Book in accordance with the original order specifications.

3. How do Participants designate orders for BOLD?

Depending on the order entry interface, Participants may designate orders for BOLD on an order-by-order basis or have a connection session configured to apply a default BOLD instruction on eligible orders.

Participants using a FIX or UGW Binary gateway can designate orders for BOLD on an order-by-order basis by including a BOLD value in the 'Extended Execution Instruction' field of the order message. Alternatively, FIX gateway users may request a default BOLD instruction to be configured on a connection session basis. To configure a default session, Participants must submit a [NYSE Gateway Session Request Form](#) to the [NYSE Connectivity team](#) providing the preferred BOLD instruction. Participants using the session default may opt-out or override the default BOLD functionality on an order-by-order basis by including the corresponding 'Extended Execution Instruction' value (i.e. the "BOLD opt-out"). The BOLD 'Extended Execution Instruction' field values are:

'EXTENDED EXECUTION INSTRUCTION' VALUES	DESCRIPTION
W	Expose Order Info
X	Expose Order Info and Capacity
Y	Expose Order Info and Participant ID
Z	Expose Order Info, Capacity and Participant ID
D	BOLD Opt-out (For configured default sessions)

4. **Where are BOLD RFQs broadcast and what information do they contain?**
A BOLD RFQ message will be published over the XDP Top of Book market data feed. The message will include the series, side (buy/sell), quantity and BOLD price. Participants may also choose to include Capacity and/or Participant ID attribution information when submitting a BOLD-designated order, which would also be included in the RFQ message.

5. **How can Participants respond to an RFQ?**
The BOLD Mechanism is not an auction and therefore does not have a specified response type. By submitting quotes over MMD and orders via FIX or UGW, on the opposite side of the BOLD-designated order, Participants can interact with the advertised order.

6. **If there are multiple BOLD-designated orders entered for a series at a price level, how are inbound orders allocated against BOLD-designated orders?**
The Exchange's customer priority, pro-rata allocation algorithm will be utilized for BOLD-designated orders. Multiple BOLD-designated orders in the same series can be broadcast at a given time and each will have its own timer. RFQs will not include a cumulative quantity of size or orders.

7. **Will Participants be able to differentiate BOLD executions from non-BOLD executions?**
Yes. Liquidity Indicators can be utilized to differentiate whether executions take place within the BOLD Timer. The liquidity values can be found in corresponding interface system specifications and will be included in the 'Liquidity Indicator" field of order and quote execution messages, as well as on the NYSE American/Arca Options Online/Batch Extract. The BOLD liquidity codes are:

'F' BOLD Removing - For orders that initiate the BOLD Mechanism;
'P' BOLD Adding - For contra orders that execute against a BOLD-designated order.

8. **Is BOLD participation required?**
No. To send BOLD-designated orders, Participants must opt-in to the BOLD Mechanism either on an order-by-order basis or by having a default BOLD session configured. A designation is not required for certain quotes and/or orders to interact with BOLD-designated orders.

9. **Can BOLD-designated orders be cancelled or modified?**
Yes. BOLD-designated orders may be cancelled or replaced at any time prior to execution.

10. **Which order types are eligible for BOLD?**
The following order types and TIFs are eligible for BOLD Mechanism functionality: Market, Limit, Day, GTC, Stop and Stop Limit, PNP, PNP-B and IOC.

11. **Will other order types sent with BOLD instructions be accepted by the Exchange?**
Participants using a default BOLD configured FIX session may submit any order type through the session but the Exchange's System will apply BOLD functionality only on order types that are eligible for BOLD (see FAQ10).

Participants that do not have BOLD default session may only apply a BOLD designation on order types that are eligible for BOLD (see FAQ10). All other order types that are ineligible for BOLD will be rejected with message '<Order Type> Cannot BOLD' if they are entered in with a BOLD designation.

12. How will BOLD-designated orders interact with CUBE and QCC orders?
The Exchange's single-leg CUBE Auction will terminate if during the CUBE Auction's Response Time Interval the Exchange receives a BOLD-designated order in the same series subject to the CUBE Auction. CUBE and QCC Orders will be rejected if such orders are received during a BOLD Timer.

13. What is the duration of the BOLD Timer?
The BOLD Timer will last 50 milliseconds. If the order is not executed (in whole or in part) within this time frame, the order will be subject to normal processing based on the order type. The Exchange may modify the duration of the BOLD Timer at a future time and any such changes would be announced via a Trader Update.

14. What are the operating hours for the BOLD Mechanism?
BOLD functionality is available during the Exchange's core trading hours, provided there is enough time for the BOLD Timer to run in its entirety. Any eligible BOLD-designated orders submitted during pre-open, after-markets hours or during any other time that BOLD functionality is not available (i.e., because of a trading halt as noted below), will be accepted but will not be processed by the BOLD Mechanism.

15. What happens if there is a trading halt or system disruption while a BOLD-designated order is processing?
In the event of a Trading Halt or a System Disruption, the BOLD Timer will conclude. Any portion of the BOLD-designated order that did not execute before the BOLD Timer concluded will be subject to normal processing based on the order type.

16. Does pricing differ for orders executed within the BOLD Mechanism?
Yes. Additional details regarding fees and rebates applied to BOLD-designated orders can be found in the [NYSE American Options Fee Schedule](#).

17. Are Participants required to make changes on their end to utilize the BOLD Mechanism?

Yes. Participants that would like to submit such orders must reference the FIX and/or UGW specifications for designating BOLD orders on an order-by-order message or on a connection session basis. Participants wishing to receive BOLD broadcast messages must program to read the messages over XDP. Responding to a BOLD-designated order requires no specific change to order messages. Additional details can be found in the corresponding System specification documents:

XDP Options Client Specification
NYSE Arca FIX Gateway Specification
UGW Binary Gateway Specification
Market Maker Direct Specification for Options
NYSE AMERICAN Options / NYSE ARCA Options GEMS Batch / Online Extract Layout

18. Who should Participants contact with additional questions regarding the BOLD Mechanism?

For assistance with the Enhanced Certification Testing environment, please contact the Technology Member Services Team at firmtesting@nyse.com. For any additional questions regarding the NYSE American Options BOLD Mechanism, please contact your relationship manager at rmteam@nyse.com.

Examples of BOLD-Designated Order Processing

	SCENARIO: AWAY MARKET IS BETTER, BOLD RFQ IS BROADCAST, AND SINGLE RESPONSE RECEIVED, ROUTES, AND SWEEPS CONSOLIDATED BOOK.		
	DESCRIPTION	**MARKET/EVENT**	**RESULTS**
	NBBO	BOX (100) 1.23 x 1.25 (10) ARCA	
	AMERICAN BBO	(10) 1.15 x 1.28 (10)	
1	Cust1 submits BOLD-designated order	Buy (50) @ 1.28	Cannot execute on AMERICAN due to better away interest.
2	BOLD RFQ is broadcast on XDP	Buy (50) @ 1.25	50 millisecond BOLD Timer initiated.
3	Cust2 Opposite Side Order Submitted	Sell (10) @ 1.25	Cust2 trades (10) contracts @ 1.25 with Cust1 BOLD-designated order. Cust1 has (40) contracts remaining in BOLD.
4	BOLD Timer expires		Exchange routes (10) contracts to ARCA @ 1.25.
5	New NBBO	BOX (100) 1.23 x 1.28 (10) AMERICAN	Customer price/time sweep logic is applied. Cust1 sweeps (10) contracts @ 1.28 posted on AMERICAN Consolidated book. Cust1 has a balance of (20) contracts which post to the Consolidated Book.
6	New NBB	AMERICAN (20) 1.28	

	SCENARIO: OPPOSITE SIDE NBBO FADES AFTER BOLD TIMER STARTS AND THE BOLD ORDER BECOMES EXECUTABLE ON AMERICAN.		
	DESCRIPTION	**MARKET/EVENT**	**RESULTS**
	NBBO	BOX (100) 1.23 x 1.25 (10) ARCA	
	AMERICAN BBO	(10) 1.15 x 1.28 (10)	
1	Cust1 submits BOLD-designated Order	Buy (50) @ 1.28	Cannot execute on AMERICAN due to better away interest.
2	BOLD RFQ1 is broadcast on XDP	Buy (50) @ 1.25	50 millisecond BOLD Timer initiated.
3	Cust2 submits BOLD-designated Order	Buy (50) @ 1.30	Cannot execute on AMERICAN due to better away interest.
4	BOLD RFQ2 is broadcast on XDP	Buy (50) @ 1.25	50 millisecond BOLD Timer initiated.
5	ARCA Offer changes (100) 1.31		
6	New NBBO	BOX (100) 1.23 x 1.28 (10) AMERICAN	
7	BOLD Timers end due to faded NBBO		Customer price/time sweep logic is applied. Cust2 sweeps (10) contracts @ 1.28 posted on AMERICAN Consolidated book. Cust2 has a balance of (40) contracts to Buy @ 1.30. The order for Cust1 posts on the Consolidated Book.
8	New NBB	AMERICAN (40) 1.30	

	SCENARIO: OPPOSITE SIDE NBBO FADES AFTER BOLD TIMER STARTS AND THE BOLD ORDER BECOMES EXECUTABLE ON AMERICAN.		
	DESCRIPTION	**MARKET/EVENT**	**RESULTS**
	NBBO	BOX (100) 1.23 x 1.25 (10) ARCA	
	AMERICAN BBO	(10) 1.15 x 1.28 (10)	
1	Cust1 submits BOLD-designated order	Buy 50 @ 1.28	Cannot execute on AMERICAN due to better away interest.
2	BOLD RFQ is broadcast on XDP	Buy 50 @ 1.25	50 millisecond BOLD Timer initiated.
3	Cust2 submits BOLD-designated order	Buy 50 @ 1.30	Cannot execute on AMERICAN due to better away interest.
4	BOLD RFQ2 is broadcast on XDP	Buy 50 @ 1.25	50 millisecond BOLD Timer initiated.
5	Cust3 submits BOLD-designated order	Buy 50 @ 1.30	Cannot execute on AMERICAN due to better away interest.
6	BOLD RFQ3 is broadcast on XDP	Buy 50 @ 1.25	50 millisecond BOLD Timer initiated.
7	Cust4 Opposite Side Order Submitted	Sell 10 @ 1.20	Cust4 trades (10) contracts @ 1.25 with Cust1 BOLD-designated order. Cust1 has (40) contracts remaining in BOLD.
8	Cust1 BOLD Timer Expires		Exchange routes 10 contracts to ARCA @ 1.25. Cust1 has (30) contracts remaining to Buy.
9	All BOLD Timers end due to faded NBBO	New NBBO: BOX (100) 1.23 x 1.28 (10) AMERICAN	Customer price/time sweep logic is applied. Cust2 sweeps (10) contracts @ 1.28 posted on AMERICAN Consolidated book. Cust2 has (40) contracts remaining Buy.
10	Cust 1, 2 and 3 post on the Consolidated book		Cust2 and 3 aggregated are the new NBB.
11	New NBB	AMERICAN (90) 1.30	