



NYSE Trading Floor Reopening Phase II FAQ

When will Designated Market Makers (DMMs) return to the Trading Floor?

A subset of DMMs will return Wednesday June 17, 2020.

Why are only a subset of DMMs returning at this time?

NYSE is limiting the number of people permitted on the trading floor to ensure social distancing can be observed.

Will there be a list of symbols that do not have physical floor DMMs?

A list of securities without a DMM on the floor will be posted each day [here](#).

Will all Floor Broker functionality be available?

NYSE Floor Brokers will have the ability to use all of the order types and capabilities typically available via their hand-held devices, including the ability to enter D Orders.

Verbalizing interest at the point of sale will not be available.

Will “D Orders” be available?

Yes.

Will DMM firms continue to provide liquidity intraday?

Yes. DMMs, whether on the floor or remote, are still required to fulfill their obligation to quote two-sided markets as described in NYSE Rule 104.

On a typical day, the DMM firms operate with a mix of electronic and human activity. The vast majority of their intraday liquidity provision, the displayed bids and offers they provide continuously through the trading day, are submitted electronically. There is no anticipated change to this activity.

Can Floor Brokers accommodate crosses?

Verbal interest, including crosses, will not be permitted in this phase of the re-opening.

Can Floor Brokers get a “look” from the DMM?

Brokers will not be prevented from speaking with DMM's, however they are not allowed to congregate at the Post and must ensure that proper social distancing is maintained.

Will Mandatory Indications be disseminated for openings/re-openings?

Yes, for securities with a DMM on the floor, but parameters will be moved to 10% or 30 cents, whichever is wider.

Will the Exchange allow offsetting interest after 4:00 pm for an Extreme Imbalance at the close?

For securities with a DMM on the floor, if an extreme imbalance exists at 4:00pm, NYSE will solicit offsetting orders to avoid a closing price dislocation.

FAQ for Auctions

Are the auctions changing beginning on June 17?

The NYSE auction mechanism remains the same. DMMs on the floor will have the ability to electronically or manually open and close securities and all better-priced on-open or on-close interest will be guaranteed. DMMs that have not returned to the floor will be able to open and close securities remotely.

Will Floor Brokers have access to Closing Auction Imbalance information beginning at 2pm?

Yes, Floor Brokers returning to the trading floor will have access to the tools they had prior to the floor closing. The Closing Auction Imbalance Information temporarily available in the Trade Ops Portal website will no longer be available as of Tuesday, May 26, 2020.

How will NYSE IPO and follow-on auctions operate during the partial reopening?

DMMs will be conducting manual opening auctions for IPOs and follow-on offerings. DMMs will also have the option to conduct these manual auctions remotely. Auction imbalance information for IPOs will continue to be published via exchange data feeds.

Will all marketable interest be filled in a DMM-facilitated auction?

Yes, if the DMM facilitates the opening, reopening, or closing auction, marketable on-open and on-close orders would be guaranteed an execution.

What is an Exchange-facilitated auction?

The Exchange-facilitated auction allows the Exchange's systems to conduct an opening, reopening, or closing auction electronically if, for any reason, the DMM is unable to conduct the auction in an NYSE-listed security.

DMMs cannot participate in Exchange-facilitated auctions.

Will the Exchange still facilitate Opening and Closing auctions if the DMM firm has returned to the floor?

DMM's who have returned to the floor will open and close all of their assigned securities. NYSE will only facilitate auctions in the event the DMM firm has a technology failure and is unable to facilitate the auction.

Will all marketable interest be filled in an Exchange-facilitated auction?

Not necessarily. Because exchange-facilitated auctions are bound by price collars, there is the potential that marketable interest will be unfilled. This is different to a DMM-facilitated auction where the DMM

guarantees a fill for every Market or better-priced order received. Any marketable interest not filled in the auction will be cancelled back to the member when the auction concludes.

What price collars will be in place for the Exchange-facilitated auction?

In an Exchange-facilitated auction, Exchange systems will find a volume maximizing pair-off price subject to certain price range collars. For the open and closing auctions, the price collar is 10% from the reference price. For trading halts, the price collar is 5%, though for MWCB re-openings, this will be 10%.

Auctions	Reference Price	BCP Auction Collars
Opening	Consolidated Last Sale in regular trading hours	+/- greater of \$1.00 or 10% of reference price
Reopening (Reg Halt)	Consolidated Last Sale in regular trading hours	+/- greater of 0.15 or 5% of reference price
Reopening (MWCB 1&2)	Consolidated Last Sale in regular trading hours	+/- greater of 0.15 or 10% of reference price
Reopening (LULD Pause)	Triggering LULD Price Band	- If trigger is Upper Price Band, auction collars will be: lower band x (upper band + greater of 0.15 or 5%) - If trigger is Lower Price Band, auction collars will be: (lower band - greater of 0.15 or 5%) x upper band
Closing (including halt or pause within last ten minutes of trading)	NYSE Last Sale bounded by BBO	+/- greater of 0.15 or 10% of reference price

What time will the Exchange-facilitated auction be conducted?

The DMM will have the opportunity to facilitate all auctions. If the DMM does not open/close electronically, the Exchange will facilitate auctions shortly after the DMM response.

What order types can be used to offset an imbalance when the Trading Floor reopens?

All order types, excluding verbal interest, will be supported, including:

- Until 3:50 p.m., MOC and LOC orders can be entered without restriction. If a Regulatory Imbalance of 50,000 shares or more is published at 3:50 p.m., firms can submit offsetting MOCs/LOCs up to 4:00 p.m. ET.
- Closing D Orders on either side of the imbalance may be entered or cancelled until 3:59:50.
- We also offer an electronic Closing Imbalance Offset (IO) order type which can be used to offset imbalances, does not influence price formation, but is not guaranteed to participate. Closing IO orders can be used for any size imbalance and are accepted on both sides of the market up to 4:00 p.m. Similar to MOC and LOC Orders, they can be cancelled between 3:50 and 3:58 only for a legitimate error, and cannot be cancelled after 3:58 p.m.

What are the auction order entry, modification, and cancellation cutoff times?

Standard exchange rules continue to apply.

- **Opening Auction**

All available order types, including Market-on-open (MOO) and Limit-on-open (LOO) Orders, can be entered up until the time of the Opening Auction. There are no modification or cancellation cutoff times.

- **Closing Auction**

Up to 3:50 p.m. ET

- No entry or cancellation restrictions on Market-on-open (MOC) and Limit-on-open (LOC) Orders.

3:50 p.m. ET

- MOC/LOC orders entered after 3:50 p.m. ET are not permitted unless they are offsetting a regulatory imbalance.
- Cancels, modifications, and cancel/ replaces of MOC/LOC and Closing IO Orders are not allowed, unless for a Legitimate Error. Legitimate Error is defined as an error in Side, Quantity, Price or Symbol. Note that there is no systematic rejection of these messages between 3:50 and 3:58 p.m. ET.

3:58 p.m. ET

- All cancellations, modifications, and cancel/replaces of MOC, LOC and Closing IO are rejected.

3:59:50

- Closing D order entry and cancellation cutoff

4:00 p.m. ET

- Order entry cutoff.

4:00 p.m. ET

- Closing Auctions are conducted.

Will the Imbalance feeds be available for an Exchange-facilitated auction?

In both DMM and Exchange-facilitated auctions, NYSE will publish auction imbalance information via its regular data feeds.

Will a firm be able to tell if the Exchange is conducting an Exchange-facilitated auction?

There is no designation on data feeds that allows firms to identify if an auction is an Exchange-facilitated auction.

How will NYSE allocate executions in an Exchange-facilitated auction?

All orders eligible to trade in an NYSE-facilitated Auction will be matched and traded at the Continuous Book Clearing Price, which is the best price at which the maximum volume of shares, including the non-displayed quantity of Reserve Orders, is tradable in the applicable Auction, subject to the price collars.

If some marketable interest is unexecuted due to the Price Collar restrictions, orders included in the Auction will be allocated according to price-time priority. Any marketable orders that do not participate in the Core Open Auction will be cancelled.

If there is no interest eligible to trade within the Core Open Auction collars, the security will open on a quote, which could potentially include a zero bid and/or offer.