



11 Wall Street
New York, NY 10005

NYSE Operations

October 15, 2014

TO: All Members and Member Organizations

SUBJECT: Expansion of ALO Modifier and Day time in force for ISOs

ROUTE TO: Business Leaders, Technology and Operations Officers

The NYSE and NYSE MKT markets will begin accepting Add Liquidity Only (ALO) instructions for limit orders and will begin accepting Intermarket Sweep Orders (ISO) with a time in force of "Day".

Currently, the ALO designation may be added only to MPL orders and all ISO orders are treated with a time in force of "immediate or cancel". When introduced, a Day ISO will be executed on arrival to the extent it can and any remaining quantity will be displayed on the order book and will not route. In addition, Day ISO may also be optionally designated as ALO.

Routing of ALO and ISO orders directly to the Broker Systems will not be supported. Floor Brokers, however, will be able to enter orders with ALO instructions on behalf of their customers.

Add Liquidity Only (ALO) Order Attributes:

1. Displayed Limit order that is posted on the order book and will not take liquidity.
2. Valid only with a time in force of Day.
3. Will be rejected if the side is designated as B- or S+.
4. May optionally be added to Mid-Point (MPL) order.
5. If the ALO order is marketable on arrival against any resting interest on the order book or is marketable against an away quote, the ALO order will automatically reprice 1 price increment worse than the interest on the opposite side so that it does not take liquidity.
6. ALO orders will re-price automatically when the best-priced interest on the opposite side executes or cancels. No additional order acknowledgement will be sent upon re-pricing.
7. ALO instruction will be ignored during the Opening, Re-Opening or Closing trades. Normal transaction fees apply.
8. The minimum quantity for an ALO order is a round lot or the order will be rejected.



9. ALO instruction may be sent on a reserve order but must have a minimum display quantity of one round lot or it will be rejected.
10. May be designated as STP (Self Trade Prevention).

Day ISO Order Attributes:

1. Must have a time in force of a Day .
2. Will be rejected if the side is designated as B- or S+.
3. The minimum quantity for an ISO Day order must be one round lot or it will be rejected.
4. If ISO Day interest is marketable on arrival, it will trade irrespective of away market quotes. Once posted on the order book, if the ISO Day order would be required to route away it will automatically re-price.
5. May participate in the opening trade and any remaining quantity shall be placed on the order book.
6. May participate in the closing trade.
7. May be designated as STP (Self Trade Prevention).
8. A DAY ISO will only print a condition 'F' (ISO) if executing on arrival. If placed on the book (including after replenishment) any subsequent execution will print as regular way

ISO ALO Order Attributes:

1. Must have a time in force of Day or it will be rejected.
2. Will be rejected if the side is designated as B- or S+.
3. May participate in the opening trade and any remaining quantity shall be placed on the order book.
4. May participate in the closing trade but ALO designation will be ignored
5. May be designated as STP (Self Trade Prevention).
6. If ISO ALO interest is marketable on arrival or required to route away it will automatically re-price.

FIX Details:

Order (message type “D”) and Cancel/Replacements (message type “G”) messages

	ISO IOC (Immediate or Cancel)	ISO Day	ISO ALO	ALO
Tag 59 - TimelnForce	Value = 3 (IOC)	Value = 0 (Day)	Value = 0 (Day) only	Value = 0 (Day) only
Tag 9487 - RoutingInstruction	N/A	May optionally contain value of ISO ALO.	Value = ISO ALO	Value = ALO

Outgoing FIX Messages:

RoutingInstruction will not be returned on order activities (message 8) including acknowledgements, reports, report corrections, UROUTs and rejects.



FIX Drop Copy Messages:

For customers subscribed to Drop Copy services, RoutingInstruction will be returned in your order drop copy messages. However, report and admin drop copy messages, including acknowledgements, reports, report corrections, UROUTs and rejects, will not contain RoutingInstruction information.

UTPDirect (Binary) Protocol Technical Details:

The ALO and ISO ALO RoutingInstruction will be supported on all Order and Cancel/Replacement variants.

	ISO IOC (Immediate or Cancel)	ISO Day	ISO ALO	ALO
TimeInForce	Value = 3 (IOC)	Value = 0 (Day)	Value = 0 (Day) only	Value = 0 (Day) only
RoutingInstruction	N/A	May optionally contain value of L.	Value = L	Value = A

Outgoing UTPDirect (Binary) Messages:

RoutingInstruction will not be returned on order activities (message 8) including acknowledgements, reports, report corrections, UROUTs and rejects.

UTPDirect (Binary)Drop Copy Messages:

For customers subscribed to Drop Copy services, RoutingInstruction will be returned in your order drop copy messages. However, report and admin drop copy messages, including acknowledgements, reports, report corrections, UROUTs and rejects, will not contain RoutingInstruction information.

Merged Order Log Output Details:

The Entering (Product ID 06220527) and Clearing Firm (06220564) Merged Order Log MRO will be updated with a new value of “1” in the SOI field (position 129) of the 1A and 1B records as follows:

1A FIELD NAME	Position Start-End	Format (Length)	Field Value
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SPECIAL ORDER INDICATOR TAG 9487 (ROUTINGINSTRUCTION)	129-129	X(1)	1 = Intermarket Sweep Add Liquidity Only (ISO ALO) 5 = DOT order from e-Broker 6 = Closing offset order 7= ISO (Intermarket Sweep Order; do not ship) 8 = SOC (Reg NMS immediate or cancel; do not ship) order 9 = DNS (Do Not Ship) P = DOT order from e-Broker/SOC order– see values 5 and 8 Q = DOT order from e-Broker/DNS order – see values 5 and 9 R = e-Broker closing offset order S = Passive DNS (PDNS) T = DOT order from e-Broker PDNS U = Add Liquidity Only (ALO) V = DOT order from e-Broker ALO W = Retail Price Improvement X = Retail Only Y = Retail No Route Z = Retail Route Otherwise 0 or Space
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User Acceptance Testing:

User Acceptance Testing environment is currently available. The implementation date for ALO and DAY ISO will be announced in a subsequent Trader Notice..

Contact Information:

For any business questions concerning this notice, please contact your NYSE Relationship Manager or:

Bob Airo	robert.airo@nyse.com	212.656.5663
Valerie Schafer	valerie.schafer@nyse.com	212.656.2516

Additional information of both order types can be found via the link below:

http://www1.nyse.com/nysenotices/nyse/rule-filings/pdf.action;jsessionid=B0A2F2B3BE64D5F04AD63B78D328B589?file_no=SR-NYSE-2014-32&seqnum=1