



11 Wall Street
New York, NY 10005

NYSE Operations

February 25, 2014

TO: All Members and Member Organizations

SUBJECT: NYSE Cash Equities Market New Bulk Cancel Functionality

ROUTE TO: Business Leaders, Technology and Operations Officers

The NYSE and NYSE MKT will introduce a bulk cancel message to allow customers to target multiple orders to cancel by firm mnemonic with a single cancel message¹. Customers will also be able to bulk cancel and block; bulk block; and bulk unblock via a single message. In this initial phase, customers will have the ability to send a bulk cancel message to our Universal Trade Platform (UTP) including the cancellation of Broker System generated order messages for that firm mnemonic. In future phases, customers will be able to bulk cancel for an entire risk group and route bulk cancel messages directly to the NYSE Broker Systems. Member firms that currently utilize a Service Bureau for order submission will need to contact their service provider to determine when the technical changes outlined below will be supported by that vendor.

Cancellation of Orders for a Single Connection:

Cancellation of orders over a single connection will cancel all orders originating with that firm's or Service Bureau's session ID for the firm mnemonic contained in the message, with the exception of GTC orders (current and prior day) or Closing orders (MOC, LOC or CO orders).

Cancellation of Orders for All Connections:

Cancellation of orders for all connections will cancel the orders for the firm mnemonic contained in the message across all connections or session ID's. When canceling orders for all connections, customers will be required to specify what orders are targeted to be cancelled. The following options will be made available:

1. Cancel all open orders except Opening, Closing and GTC orders.
2. Cancel all open GTC orders only and not Closing orders.
3. Cancel all Opening and Closing Orders only (subject to Rule 123C)
4. Cancel all open Day orders only and not Closing orders.

¹ See SEC Release 34-71164; File No. SR-NYSE-2013-80 (December 20, 2013)



Customers will be required to submit a cancel message for each firm mnemonic. Customers wishing to cancel any combination of the above orders types will be required to submit multiple cancel messages for the same firm mnemonic.

Upon receipt of the message, the UTP trading engine will cancel all open orders that meet the specified cancel criteria in the cancel message. If the stock is “frozen”, the cancellation process will begin once the freeze has been lifted. A freeze can occur at the opening or during the re-opening process. Any new orders received after the bulk cancel message is processed will be accepted and placed on the order book.

Cancellation and Block of New Orders:

Submission of a cancel and block message automatically applies to orders that contain that firm mnemonic over all firm or Service Bureau connections. Upon receipt of the message, the UTP trading engine will cancel all open orders with the exception of Opening, Closing and GTC orders. If the stock is frozen, the cancellation process will begin once the freeze has been lifted. In addition, any new order or cancel/replacement message received that contains that firm mnemonic will be rejected until such time as an Unblock message request is received. Customers will be required to submit a Cancel and Block message for each mnemonic.

Blocking of Orders:

Submission of a bulk block request message automatically applies to orders that contain that firm mnemonic over all firm or Service Bureau connections. Upon receipt of the message the UTP trading engine will reject any new order (including Opening, Closing and GTC orders) or cancel/replacement message received that contains that mnemonic until such time as an Unblock message request is received. Customers will be required to submit a Block message for each mnemonic.

Unblocking of Orders:

Submission of a bulk unblock request message automatically applies to orders that contain that firm mnemonic over all firm or Service Bureau connections. Upon receipt of the message, the UTP trading engine will begin accepting new incoming order or cancel replacement messages and place these on the order book. Customers will be required to submit an Unblock message for each mnemonic.

FIX Technical Details:

The ability to take a bulk action will be supported via an extension of the existing Cancel message (message type “F”). Customers will be able to specify what action is to be performed by populating Tag 37 <OrderID> with one of the following pre-designated values. Customers wishing to cancel any combination of orders types below will be required to submit a bulk cancel message for each OrderID value described below.

Bulk Cancel Action	Cancel Scope	Request Type	Tag37 (OrderID) value
Cancel	Cancel All <u>excluding</u> Closing Orders (MOC, LOC, and CO) and GTC’s (current and prior day)	Applies to the Orders sent through the connection in which the Bulk Cancel message is received only.	-999

Cancel	Cancel All (excluding GTC's for current and prior day, Opening and Closing Orders (MOC, LOC, CO).	All Connections	-799
Cancel	Cancel GTC Orders only (current & prior day) but excluding Closing Orders.	All Connections	-755
Cancel	Cancel Opening and/or Closing Orders only (OPG, MOC/LOC and CO)	All Connections	-766
Cancel	Cancel Day Orders Only excluding Closing Orders.	All Connections	-788
Cancel & Block	Cancel and Block all Orders excluding GTC's (current and prior), Opening and Closing Orders.	All Connections	-899
Block	All Incoming	All Connections	-700
UnBlock	All Incoming	All Connections	-600

A bulk Cancel messages must be submitted with its own unique value in Tag 11 <ClientOrderID>. This value will be returned on cancel acknowledgements only. All other messages returned will contain the ClientOrderID of the order being cancelled and/or rejected.

Acknowledgements and Rejects:

Customers will receive a single bulk cancel acknowledgement message (message type "8") upon receipt. Bulk cancel acknowledgements will be returned in the same manner as individual order cancel acknowledgements with Tag 39 <OrdStatus> = 6 (Pending Cancel) and Tag 150 <ExecType> = 6 (Pending Cancel).

If a bulk cancel message is received with an invalid value in Tag 37 <OrderID>, the message will be rejected back with the description "REJ – Invalid Order ID".

If an order is received for a mnemonic that has an active block request in place, customers will receive a standard order reject message (message type "8") with new reason codes in Tag 103 <OrdRejReason>. Similarly, if a cancel/replacement message is received, customers will receive a standard cancel reject message

(message type “9”) with new reason codes in Tag 102 <CxlRejReason>. For additional details on the new values, please refer to the NYSE Common Customer Gateway API Specification.

FIX UROUT Messages:

UROUT messages returned for orders successfully canceled will be delivered over the connection that the original order was received. Customers will receive the new UROUT description “UROUT – Firm Bulk Cancel” in Tag 58 <Text>.

FIX Drop Copy Messages:

For customers subscribed to Drop Copy messages, the bulk cancel message will not be returned over your drop copy connection. However, all UROUTs returned for orders that were successfully canceled will be returned if subscribed to admin drop copy messages.

UTPDirect (Binary) Protocol Technical Details:

Customers will be required to support new Cancel Message Variant F.2 in order to take advantage of this new bulk cancel functionality. In order to distinguish a bulk cancel message from an individual cancel message a new required field has been added to variant 2. This field must be populated for all cancel messages, not just bulk cancel messages. For details on the entire message, please refer to the NYSE UTPDirect API Specification.

BulkCancelCode	1	Binary	✓	<ul style="list-style-type: none"> 0 – Regular Individual cancel message. 1 – Cancel All Orders except Closing Orders (MOC, LOC, CO) and GTCs for this connection only. 2 – Reserved for Future Use. 3 – Cancel All Orders except Opening, Closing or GTC orders for all connections. 4 – Cancel All GTC orders only for all connections. 5 – Cancel All Opening or Closing Orders (MOC, LOC or CO) only for all connections. 6 – Cancel All Day orders only for all connections. 7 – Cancel and Block All Orders excluding GTC’s, Opening or Closing Orders for all connections. 8 – Block all incoming orders for all connections. 9 – Unblock all incoming orders for all connections.
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UTPDirect (Binary) Acknowledgements and Rejects:

In addition to the new cancel message variant, customers will also be required to support new Cancel Acknowledgement Variant 6.2. This field will be returned on all cancel message acknowledgements and provides the ability to distinguish an individual cancel message from a bulk cancel message. For further details on the entire message, please refer to the NYSE UTPDirect API Specification.

AckMsgType	1	Alpha Numeric	✓	<ul style="list-style-type: none"> 2 – Cancel Acknowledgement 4 – Firm Bulk Cancel Acknowledgement
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If an order or cancel/replacement is received for a mnemonic that has an active block request in place, customers will receive a standard Binary reject message (message type “8.1”) with a new Reject Message Type value of “4” indicating there is a prior block in place and new RejectReason code value descriptor.

UTPDirect (Binary) UROUT Messages:

UROUTs returned to customers as a result of a bulk cancel request will return a new UROUT Information Code value of “6” indicating the order was canceled as a result of a user-initiated bulk cancel request. UROUT messages returned for orders successfully canceled will be delivered over the connection that the original order was received.

UTPDirect (Binary) Drop Copy Messages:

For customers subscribed to Drop Copy messages, the bulk cancel message will not be returned over your drop copy connection. However, all UROUTs returned for orders that were successfully canceled will be returned if subscribed to admin drop copy messages.

User Acceptance Testing:

The NYSE User Acceptance Test environment is currently available to support testing. Exact implementation dates will be distributed under a separate customer notification.

Merged Order Log Output Changes

The Merged Order Log output will be enhanced to include a new indicator for orders cancelled using the Bulk Cancel feature. The following outputs are affected:

- Clearing Firm MRO – Product ID 06220564
- Entering Firm MRO – Product ID 06220527
- Broker Badge MRO - Product ID 06200574
- Agency MRO - Product ID 06010578

A new Admin Subtype (position 75) of “3” will be added to the 3A (Admin Response) Record as follows:

Field Name	Position Start-End	Format Length	Field Value
Admin Subtype	75-75	X(1)	For Admin Type 1 1 = Done for Day 2 = Disconnect 3 = Firm Bulk Cancel 4 = Cross Timer Expired 5 = Stock Frozen 6 = Self Trade Prevented 7 = Liquidity Removal Prevented

Contact Information:

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

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