

SUMMARY OF CTA/UTP GENERAL SESSION OF OCTOBER 22, 2014

Operating Committee Participants: *Present:* BATS Exchange, Inc., BATS-Y Exchange, Inc., Chicago Board Options Exchange, Incorporated, Chicago Stock Exchange, Inc., EDGA Exchange, Inc., EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., International Securities Exchange LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX, Inc., NASDAQ Stock Market LLC, National Stock Exchange, New York Stock Exchange LLC, NYSE Arca, Inc., and NYSE MKT LLC

Advisory Committee Members: *Present:* Retail Representative (Richard Urian, Ameritrade), Institutional Representative (Bill Lee, JP Morgan Chase), Investor Representative (Thomas Jordan, Jordan & Jordan), Vendor Representative (Kerry Baker-Relf, Thomson Reuters), ATS Representative (Ed Flynn, Morgan Stanley)

Security Information Processors (SIPs): *Present:* CTA SIP (SIAC), UTP SIP

Securities & Exchange Commission (SEC): *Present:* Yes

Proceedings:

1. **Network Administrator Reports.** The network administrators reviewed changes in professional devices, nonprofessional subscriber populations and the number of per-query inquiries received during the quarter. These trends are available in the quarterly metrics reports, which are publicly available on the websites (<https://www.utpplan.com> and <https://cta.nyxdata.com/CTA>).
2. **SIP Reports.** The SIPs reported on their performance and activities since the August meeting. They addressed capacity, peak usage, system availability and latency statistics, operational activities, production issues, SIP governance and resiliency/performance activities, enhanced statistics reports, and recent development activities, including capacity planning. Metrics on SIP performance are publicly available in a quarterly report on the websites (<https://www.utpplan.com> and <https://cta.nyxdata.com/CTA>).
3. **Advisory Committee Role.** The meeting discussed the role of the Advisory Committee in Operating Committee matters and balancing the desirability of Advisory Committee members making some Operating Committee information public, while keeping other information confidential. The meeting discussed the timing and procedures for consulting the Advisory Committee on fees and other proposals.
4. **Status of Plan Amendments.** A CTA Plan amendment to change certain quote meter audit policies, which includes submitting audits every two years rather than every year, and to establish a quote meter audit late charge has been filed for immediate effectiveness. CTA, CQ and UTP Plan amendments to establish non-display use fees, reduce professional subscriber device fees and make other changes to existing fees have been filed and the changes take effect on January 1, 2015. The administrators reviewed the proposed use of a non-display declaration form with the Advisory Committee. The administrators are in the process of notifying the industry about the non-display use fees and the other fee changes. CTA, CQ and UTP Plan amendments to harmonize voting requirements under the Plans have been filed with the Commission, published for comment and await SEC approval. CTA and

UTP Plan amendments to reduce trade-reporting requirements to 10 seconds are in process. The UTP Plan Participants anticipate that they will be able to file a proposed new UTP Plan shortly.

5. SIP Resiliency. The SIPs reported on primary and back-up data center disaster recovery functionality. An update was provided to the SEC in September. Quarterly tests will be conducted. The last quarterly test was on September 27; the next one is scheduled for December 6.
6. Consolidated Volume Policy. The administrators provided to the Advisory Committee a draft of a new Consolidated Volume Display policy, which proposes to harmonize rules for CTA and UTP around the display of consolidated volume. The meeting discussed the need for consistent policies and the need to notify investors of the unconsolidated nature of prices and quotes where a vendor provides consolidated volume reports alongside unconsolidated prices or quotes. The meeting discussed the language and location of a notice. The Advisory Committee expressed concern about the amount of screen space the notice would occupy. The notice is being reviewed in response to this feedback.
7. UTP Plan Processor Selection. Jordan & Jordan reviewed in detail with the Participants and the Advisory Committee the process that has been followed for selecting a processor under the UTP Plan. It announced that it received strong bids from a number of companies, creating a highly competitive search. The Participants have narrowed the bids down to two competitors. Jordan & Jordan provided the Advisory Committee with details of the bids that the two remaining bidders submitted. The strength of the competition has enhanced the level of performance that the winning bidder will undertake to provide in respect of resiliency, system availability, capacity, latency and other measures. It was noted that SIFMA has written to comment on the selection procedures and that the Operating Committee will respond.
8. Timestamps Reporting. The SIPs have completed requirements for timestamps and transaction IDs. They are preparing both a notice to inform the industry about the timestamps and an update to the specifications. The SIPs plan to give the industry 180 days' notice and ask the Participants to verify that they are ready to move forward with timestamps. The implementation date for TRFs is to be determined.
9. Transparency and the Role of the SIPs. The meeting discussed providing the industry with more and better information as an educational tool and to improve transparency. After the meeting discussed the following three proposals, the Participants voted to adopt them:
 - i. Enhance the metrics that the Participants post on their websites on a quarterly basis, addressing such matters as system availability, capacity, peak messages per second and per 100 milliseconds, peak total messages in a given day and system latency.
 - ii. Post on the websites additional facts about the networks and the SIPs to better educate the industry about the role of the consolidated tape and SIP resiliency.
 - iii. Post on the websites summaries of the Operating Committees' general session deliberations.