NASDAQ OMX® | BX

NASDAQ OMX BX Order Types Quick Reference Guide

NASDAQ OMX BX^{SM} (BX^{SM}) offers a single, streamlined matching venue with superior INET technology. To better serve our customers, BX provides users with various order types for trading all U.S. equity securities.

BX ORDER TYPES

INTERMARKET SWEEP ORDER (ISO)
ISO indicates that the entering firm has already checked all other protected quotes before coming to BX. This order will not route. It will trade at BX's best prices regardless of prices in other market centers.

PRICE-TO-COMPLY ORDERS
These orders comply with the Reg NMS Order Protection Rule and the Locked and Crossed Market Rule by re-pricing the order. Price-to-Comply orders that would lock or cross another protected quote will be put on the BX book as non-displayed at the locking price and will also display at the most aggressive price allowed under Reg NMS, which is one minimum price increment away from the locking price. With the change to the price, orders will now be displayed at a price which is either setting or joining the National Best Bid and Offer (NBBO).

POST-ONLY ORDER
The Post-Only order is designed to promote displayed liquidity and provide users control over trading costs. Post-Only orders that would lock the BX book will be posted on the book and displayed at one minimum price variation away from the other side of the market on the BX book.

ATTRIBUTES OF BX ORDER TYPES

ANONYMOUS
Orders leverage BX's anonymous MPID (NQBX), allowing you to be displayed in the marketplace without revealing your MPID.

RESERVE
Orders allow you to display only a fraction of your entire order.
- Have a round lot display size and corresponding non-display size.
- Incoming order flow has access to both the display and non-display portion of a booked reserve order.

Minimum share quantity for a displayed order is 100 shares; this amount is replenished when the amount falls below 100 shares.

PEGGED

Orders allow clients to price orders relative to the current market price for a security.
- Only supported between 9:30 a.m. and 4:00 p.m., ET.
- Offsets allow a client to peg an order with an incremental difference, in $0.01 increments, from the NBBO and can be either positive (higher price) or negative (lower price).
- There are three types of pegged orders:
  - Primary Peg: Peg an order to the same side of the NBBO.
  - Market Peg: Peg an order to the opposite side of the NBBO.
  - Mid-Point Peg: Peg an order to the mid-point of the NBBO.

MINIMUM QUANTITY

Minimum Quantity (MinQty) functionality allows users to request a minimum share amount on each execution and is supported for all time-in-forces (TIF). It is available on OUCH and FIX order protocols. Orders with MinQty instructions will always be non-displayed and are not routable.

NON-DISPLAY

Orders are hidden from the marketplace. All incoming order flow can interact with hidden orders until hidden size is exhausted at the specified price.

TIME-IN-FORCE (TIF) OPTIONS AVAILABLE FOR ORDER TYPES

- System Hours Immediate or Cancel (SIOC): Immediately executable upon entry between 8:00 a.m. to 7:00 p.m., ET, or canceled.
- System Hours Day: Executable between 8:00 a.m. to 7:00 p.m., ET, on the day the order is entered.
- Good-Til-Market Close: Executable between 8:00 a.m. to 7:00 p.m., ET, if the order is not fully executed, the order (or unexecuted portion thereof) shall remain for potential display and/or execution until cancelled by the entering party or until 4:00 p.m., ET. If entered after 4:00 p.m., the order will be treated as SIOC.
- System Hours Expire Time: If not executable upon entry, any unexecuted shares shall remain available for execution for the amount of time specified by the entering party.
- Discretionary: Orders are displayed on the book at one price while passively trading at a more aggressive discretionary price. The discretionary portion of the order is not entered on the book, and only becomes active as an IOC order when shares are available within the discretionary range.
- Market Hours Good Till Cancel (GTC): Executable between 9:30 a.m. to 4:00 p.m., on the day the order was submitted until cancelled or order is 365 days old.
- System Hours Good Till Cancel (GTC)[1]: Executable between 7:00 a.m.to 7:00 p.m., on the day the order was submitted until cancelled or order is 365 days old.

BX ROUTING

BX now supports five strategies based on existing NASDAQ® routing strategies. BX routing is supported by INET FIX for BX and Rashport 1.0/1.1 for BX.

BSCN

- First attempts to execute against orders available on the BX book at a price equal to or better than the NBBO. If shares remain unexecuted after routing they are posted on the BX book. Once the order is posted to the BX book, if it is subsequently locked or crossed, the system will not route out again.

BSTG

- Behaves similar to BSCN, except that the order will route out again after posting to the BX book if the order is subsequently locked or crossed.

BTFY

- Thrifty (BTFY) accesses low-priced liquidity venues, NASDAQ, PSX^{SM} and NYSE. All orders using the BTFY strategy must have a limit price and must be entered between 9:30 a.m. and 4:00 p.m., ET.

BMOP

- Routes to all protected quotes for display size only. Depending on the TIF on the order, the remaining shares will be posted to the BX book or be cancelled back to the entering party. Once an order posts to BX, it is no longer eligible for routing. Customers can use MOPP to post on the BX book and sweep all protected quotes, and then print to the FINRA/NASDAQ Trade Reporting Facility™ (TRF™).

BCRT

- Checks the BX, PSX and NASDAQ books before optionally posting to the BX book.

BDRK

- Simultaneously accesses BX and low cost liquidity venues.

BCST

- Behaves similar to BDRK, but additionally accesses the EDGA and BATS-Y exchanges.