

## LULD/MWCB Industry Testing Plan

March 2nd 9:30 a.m. – 1:00 p.m., Eastern Time (ET)

LULD Price Bands will be in effect from 9:45 a.m. ET – 11:30 a.m. ET

MWCB Tests will begin to be conducted from 11:45 p.m. – 1:00 p.m. ET

The following symbols will be reserved for Exchange testing on Saturday, March 2nd, 2013:

NASDAQ	NYSE	ARCA	NYSE MKT	BATS	Direct Edge	CHX	NSX
ORCL	A		API	BBY	TSLA	BAX	ARNA
ZNGA	AMD			GRMN	BA	BBBY	BBT
	CBO			INDA	BAC		YINN

Please note: If you have not been notified as one of the testing members by an Exchange you may NOT use the symbols above to test.

The following is a list of symbols that ALL industry participants may use to test:

NASDAQ	NYSE	ARCA	NYSE MKT	BATS
ARCC	AAP	AHB	ANV	ZBZX
GNTX	ABBV	ALD	ALN*	ZTEST
ATML	ABC	ALT	IBO*	
ATVI	ABT	DUST	INO*	
TFSL	CBX	DVYL		
CPWR	CIM	ZZK		
MRVL	AA*	ZZZ		
MDRX	AAN*	AKN*		
ENDP	BF B	ANGL*		
HBAN	BRK B	ABI		
PLCM	JW B	AFK		

TIBX		AGF		
TWTC		IGZ		
UTIW		ZVV		
ZION				
ZVZZT				
ZWZZT				

\*Customer testing is permitted only after 10:30 AM

### Anticipated LULD Industry Testing Scenarios:

- Test 1 – Booked Order Bands Start (9:45 a.m.) - Order Priced Outside
  - At 9:45, when the bands become active under Phase 1, a previously booked order is priced outside the first bands of the day.
    - Both a booked order on the passive side and aggressive side should be tested coming into 9:45 AM.
      - Passive – Depending on Exchange either remains booked (flagged as non-executable) or cancels.
      - Aggressive – Depending on Exchange either Price slides to band or cancels.
- Test 2 – Standard sell and buy executions
  - Execute a buy and sell order within the NBBO and LULD Price Bands
- Test 3 – Limit State / No pause
  - Trigger a limit state with a buy order, cancel or execute the order before 15 seconds have elapsed
  - Trigger a limit state with a sell order, cancel or execute the order before 15 seconds have elapsed
- Test 4 – Limit State / Pause
  - Trigger a limit state with a buy or sell order and allow the order to trigger a trading pause.
- Test 5 – Multiple Limit States / No pause
  - Trigger multiple limit states with aggressive buy and sell orders, but cancel or execute each order prior to triggering a trading pause.
- Test 6 – Multiple Limit State / Pause
  - Trigger multiple limit states and then allow a trading pause to occur.
- Test 7 – Straddle / market comes in
  - Straddle the lower price band with two orders, and then execute trades near the lower price band to move the reference price so that the buy order becomes executable..
- Test 8 – Aggressive Sell >\$3.00 Stock Tier 1

- Send an IOC sell order that aggressively crosses the lower band.
- Test 9 – Aggressive Buy > \$3.00 Stock Tier 1
  - Send an IOC buy order that aggressively crosses the upper band.
- Test 10 – Aggressive Sell between \$0.75 - \$3.00 Tier 1
  - Send an aggressive DAY sell order that crosses the lower price band.
  - Execute the order before a pause is triggered.
- Test 11 – Aggressive Buy between \$0.75 - \$3.00 Tier 1
  - Send an aggressive DAY buy order that crosses the upper price band.
  - Execute the order before a pause is triggered.
- Test 12 – Booked Order Bands go to Zero (11:30 a.m. ET for the weekend test) - Order becomes executable
  - Before the bands go back to zero for the close, enter an order that is passively outside of the price bands. The order should be un-executable when entered.
- Test 13 – Pause / Primary does not open
  - Stock enters a limit state and results in a pause. Primary does not reopen stock after ten minutes. Bands widen 3X for 30 seconds. Trading may begin without the Primary reopening.

Note: LULD Bands will not be in effect until 9:45 a.m. therefore any tests against inactive (or zero) bands may be performed during the first 15 minutes.

### Primary Exchanges Only

- Test 1 – Straddle
  - Straddle the upper price band with two orders. The Primary Exchange will manually halt the security for five minutes and re-open with a halt auction.
- Test 2 – Super Straddle
  - Submit a bid below the lower price band and an offer above the upper price band. Both orders are unexecutable. The Primary Exchange will manually halt the security and after five minutes will re-open with a halt auction.

### Market Wide Circuit Breakers

The SIP will generate a breach message for a Level 1, 2 & 3 MWCB.

- Example 1 – ~11:45 AM
  - Level 1
    - S&P 500 declines > or = 7%
    - Level 1 breach triggered.
    - 15 minute halt. (last 5 min quote only).

- Halt crosses for each name conducted.
  - Trade resume messages sent for each.
- . Example 2 – about ~12:15 PM
  - Level 2
    - S&P 500 declines  $>$  or  $=$  13%
    - Level 2 breach triggered.
    - 15 minute halt. (last 5 min quote only).
    - Halt crosses for each name conducted.
    - Trade resume messages sent for each.
- Example 3 – about ~12:45 PM
  - Level 3
    - S&P 500 declines  $>$  or  $=$  20%
    - Level 3 breach
    - Market does not re-open for remainder of the day.

**Note:** All Exchanges will run these core scenarios during the testing day along with other internal tests that might be more specific to each Exchange. Additionally, we encourage all testing participants to also try to run these scenarios in the names open for testing in order to ensure that expected results are encountered.