MIAXOptions™

DATE: **November 27, 2013**

TO: **MIAX Members**

FROM: **MIAX Regulatory Department**

RE: **MIAX and ISG Extend Effective Date for Electronic Blue Sheet Data Elements**

Summary

MIAX and the other U.S. members of the Intermarket Surveillance Group (ISG members)[1] have extended the effective date for compliance with certain new data elements for Electronic Blue Sheets (EBS) until May 1, 2014.

MIAX and the other ISG members have also extended the effective date for compliance with certain other data elements to be consistent with the exemptive relief provided by the SEC, which extended the compliance date for certain broker-dealer recordkeeping and reporting requirements of SEA Rule 13h-1 (Large Trader Rule) from November 1, 2013 to November 1, 2015.[2]

Attachment A to this circular is the current EBS submission record layout. Attachment B to this circular is the current Transaction Type identifiers.

Details

For EBS from the MIAX and other ISG interested members, the Primary Party Identifier and Contra Party Identifier fields are listed below and the effective date for compliance has been extended to May 1, 2014, to allow broker-dealers additional time to implement changes to comply with the new requirements. Firms may voluntarily submit the values for Primary Party Identifier and Contra Party Identifier fields before May 1, 2014, and they will be accepted. For conventional EBS requests (not related to the Large Trader Rule), firms must provide the Order Execution Time in a similar manner to the SEC's Phase One and Phase Two requirements described in the SEC Extension Order and as described in more detail below; and the effective date for compliance has been extended to May 1, 2014. Firms may also voluntarily submit Large Trader Identification Number 1-3 and Large Trader Identification Qualifier values to MIAX and other ISG members at any time and they will be accepted.

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[1] The U.S. members of the ISG include the following exchanges and self-regulatory organizations (SROs): BATS Exchange, Inc., BATS Y-Exchange, Inc., Chicago Board Options Exchange, Inc., C2 Options Exchange, Inc., CBOE Stock Exchange, LLC, Chicago Stock Exchange, Inc., EDGA Exchange, Inc., EDGX Exchange, Inc., FINRA, International Securities Exchange, LLC, The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX LLC, National Stock Exchange, Inc., New York Stock Exchange, LLC, NYSE MKT, LLC, NYSE Arca, Inc., BOX Options Exchange, LLC, Miami International Securities Exchange, LLC, and ISE Gemini.

[2] The SEC issued an order temporarily exempting certain broker-dealers and certain transactions from recordkeeping and reporting requirements of the Large Trader Rule. See Securities Exchange Act Release No. 70150 (August 8, 2013), 78 FR 49556 (August 14, 2013) (providing for further details) (SEC Extension Order).

- **Primary Party Identifier, Record Sequence Number Seven, Field Positions 42 to 49**
  Firms should use this record to submit the Primary Party Identifier, which provides the identity of the party to the trade that is represented by the Submitting Broker of an EBS. The firm may submit a Market Participant Identifier, Central Registration Depository Number, or Option Clearing Corporation Clearing Number for this field. Please note that the Primary Party Identifier field replaces the previous Entering Firm Identifier field.

- **Contra Party Identifier, Record Sequence Number Seven, Field Positions 50 to 57**
  Firms should use this record to submit the Contra Party Identifier, which provides the identity of the contra party to the trade that is represented by the Opposing Broker of an EBS, if applicable. The firm may submit a Market Participant Identifier, Central Registration Depository Number, or Option Clearing Corporation Clearing Number for this field. Please note that the Contra Party Identifier field replaces the previous Executing Firm Identifier field.

The MIAX and other ISG interested members have also extended the effective date for compliance with certain data elements to be consistent with the exemptive relief provided by the SEC, which extended the compliance date for certain broker-dealer recordkeeping and reporting requirements of the Large Trader Rule from November 1, 2013 to November 1, 2015. The SEC has grouped the Large Trader Rule into three phases for purposes of implementation which could be summarized as:

- **Phase One** required clearing broker-dealers for large traders to keep records of and report, upon the SEC's request, specified data concerning (1) proprietary trades by large traders that are U.S. registered broker-dealers; and (2) transactions effected by large traders through a sponsored access arrangement.[3] Transaction data includes both the large trader identification number (LTID) and execution time. The compliance date for Phase One was November 30, 2012.

- **Phase Two** extends the recordkeeping and reporting requirements for clearing broker-dealers to transactions effected pursuant to a direct market access (DMA) arrangement. As with Phase One, this requires clearing broker-dealers to report Transaction Data that includes both LTID and execution time for DMA arrangements.[4] Phase Two also includes the prime broker or other carrying broker-dealer that carries an account for a Large Trader. These entities will have to report Transaction Data other than execution time. The compliance date for Phase Two was November 1, 2013.

  In addition, the recordkeeping and reporting requirements with respect to Unidentified Large Traders, and the related monitoring safe harbor provided by SEA Rule 13h-1(f), will apply to broker-dealers that carry an account for a large trader as of November 1, 2013.

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[3] A sponsored access arrangement is defined as one "where a broker-dealer permits a customer to enter orders into a trading center without using the broker-dealer's trading system." See SEC Extension Order, supra note 2 at 49557.

[4] A direct market access arrangement is defined as "an arrangement whereby a broker-dealer permits customers to enter orders into a trading center but such orders flow through the broker dealer's trading systems prior to reaching the trading center." See SEC Extension Order, supra note 2 at 49560.

The remaining types of large traders and the transactions not covered by Phases One and Two are covered by **Phase Three**. Phase Three will therefore apply to all other broker-dealers subject to the recordkeeping and reporting requirements of the Rule (i.e., broker-dealers that are large traders but do not self-clear, and broker-dealers effecting transactions directly or indirectly for a large trader where a non-broker-dealer carries the account for the large trader). The compliance date for Phase Three is November 1, 2015.

As set forth above, by November 1, 2013, broker-dealers must be in EBS reporting compliance for the Order Execution Time, Large Trader Identification Number 1-3 and Large Trader Identification Qualifier fields as outlined in Phase Two of the recordkeeping, reporting and monitoring requirements of SEA Rule 13h-1. Additionally, by November 1, 2015, broker-dealers must be in EBS reporting compliance for the Order Execution Time, Large Trader Identification Number 1-3 and Large Trader Identification Qualifier fields as outlined in Phase Three of the recordkeeping, reporting and monitoring requirements of SEA Rule 13h-1.

- **Order Execution Time, Record Sequence Number Five, Field Position 72 to 77**
  Firms should use this record to submit the order execution time in 24-hour format and in Eastern Time formatted as HHMMSS. This information is not limited to the blue sheet transactions relating to the SEC Large Trader Reporting Rule (SEA Rule 13h-1). Please note that all firms must synchronize their time clocks to the atomic clock to maintain an accurate audit trail in connection to the reported execution time.

- **Large Trader Identification Number 1, Record Sequence Number Seven, Field Position 2 to 14**
  Firms should use this record to submit the Large Trader Identification Number. This information is requested under the approved SEC Large Trader Reporting Rule (SEA Rule 13h-1) requirements.

- **Large Trader Identification Number 2, Record Sequence Number Seven, Field Position 15 to 27**
  Firms should use this record to submit the Large Trader Identification Number. This information is requested under the approved SEC Large Trader Reporting Rule (SEA Rule 13h-1) requirements.

- **Large Trader Identification Number 3, Record Sequence Number Seven, Field Position 28 to 40**
  Firms should use this record to submit the Large Trader Identification Number. This information is requested under the approved SEC Large Trader Reporting Rule (SEA Rule 13h-1) requirements.

- **Large Trader Identification Qualifier, Record Sequence Number Seven, Field Position 41**
  Firms should use this record to submit the Large Trader Identification Qualifier. If more than three LTIDs exist for a transaction, then firms should mark the field "Y" for Yes. Otherwise it

should be marked "N" for No. This information is requested under the approved SEC Large Trader Reporting Rule (SEA Rule 13h-1) requirements.

Note: The Employer SIC Code field has been withdrawn as an EBS requirement.

Blue Sheet Submission Methodology

Currently, EBS requests are made under specific security symbols and option symbology. Firms will be required to submit EBS, when requested, using three additional formats:

1. account number and date;

2. account number, symbol and date; or

3. date range and Primary Party Identifier (a change from the Executing Firm Identifier).

Compliance with this requirement is similarly extended to May 1, 2014.
Additionally, in response to a request from the SEC for large trader transaction records, broker-dealers must be prepared to submit blue sheet data, when requested, by large trader status, including LTID number(s).

Questions concerning the EBS enhancements should be directed to ebsfaq@finra.org.

See FINRA's website for answers to frequently asked questions (FAQ)
(http://www.finra.org/bluesheets/faq).

Please direct any questions to the Regulatory Department at Regulatory@miaxoptions.com.

References
FINRA Regulatory Notice 13-38
SEA Rule 13h-1

Attachment A

Record Layout for Submission of trading Information

Field Position		Field Length	Field Name/Description/Remarks	Field Format	Justify	Picture Clause	Default Value
From	To		***This record must be the first record of the file***				
1	3	3	FILLER	A	LJ	X(3)	HDR
4	5	2	FILLER	A	LJ	X(2)	.S
6	10	5	DTRK-SYSID	N	LJ	9(5)	12343
11	12	2	FILLER	A	LJ	X(2)	.E
13	14	2	FILLER	N	LJ	9(2)	00
15	16	2	FILLER	A	LJ	X(2)	.C
17	20	4	DTRK-ORIGINATOR Please call SIAC for assignment (212) 383-2210	A	LJ	X(4)	--
21	22	2	FILLER	A	LJ	X(2)	.S
23	26	4	DTRK-SUB-ORIGINATOR Please call SIAC for assignment (212) 383-2210	A	LJ	X(4)	--
27	27	1	FILLER	A	LJ	X(1)	B
28	33	6	DTRK-DATE Contains submission date.	N	LJ	9(6)	MMDDYY
34	34	1	FILLER	A	LJ	X(1)	B
35	59	25	DTRK-DESCRIPTION Required to identify this file.	A	LJ	X(25)	FIRM TRADING INFORMATION
60	80	21	FILLER	A	LJ	X(21)	B
1	1	1	HEADER RECORD CODE Value: Low Values OR ZERO	A	--	X	--
2	5	4	SUBMITTING BROKER NUMBER	A–R	LJ	X(4)	B

6	40	35	FIRM'S REQUEST NUMBER Tracking number used by the firm to record requests from an organization.	A	--	X(35)	B
41	46	6	FILE CREATION DATE Format is YYMMDD	A	--	X(6)	--
47	54	8	FILE CREATION TIME Format is HH:MM:SS	A	--	X(8)	--
55	55	1	REQUESTOR CODE Requesting Organization Identification Values:	A	--	X	--
			A = New York Stock Exchange				
			B = NYSE MKT, LLC				
			C = Chicago Stock Exchange				
			D = NASDAQ OMX				
			E = NYSE Arca				
			F = NASDAQ OMX BX, Inc.				
			G = National Stock Exchange				
			H = BATS Exchange, Inc.				
			I = International Securities Exchange and ISE Gemini				
			J = Direct Edge (EDGA Exchange and EDGX Exchange)				
			K = Chicago Board Options Exchange, C2 Options Exchange and CBSX (CBOE Stock Exchange)				
			R = FINRA				

			U = BOX Options Exchange, LLC				
			X = U.S. Securities and Exchange Commission				
			Y = BATS Y-Exchange, Inc.				
			7 = Miami International Securities Exchange				
56	70	15	REQUESTING ORGANIZATION NUMBER Number assigned by requesting organization	A	LJ	X(15)	B
71	80	10	FILLER	A	--	X(10)	B
1	1	1	RECORD SEQUENCE NUMBER ONE The first record of the transaction. Value: 1	A	--	X	--
2	5	4	SUBMITTING BROKER NUMBER Identical to Submitting Broker Number in Header Record	A–R	LJ	X(4)	--
6	9	4	OPPOSING BROKER NUMBER The NSCC clearing house number of the broker on the other side of the trade.	A–R	LJ	X(4)	B

10	21	12	CUSIP NUMBER The cusip number assigned to the security. Left justified since the number is nine characters at present (8+ check digit) but will expand in the future.	A	LJ	X(12)	B
22	29	8	TICKER SYMBOL The symbol assigned to this security. For options (pre-OSI), the OPRA option symbol (space), OPRA expiration month symbol and OPRA strike price symbol should be used. (Ex. Maytag May 20 call option series would be reported as MYG ED. This example uses six spaces in the field with a space between the OPRA symbol and the OPRA expiration month.) Post OSI this field must contain OPTIONXX and a Record Sequence Number Six must be completed	A–R	LJ	X(8)	B

30	35	6	TRADE DATE The date this trade executed. Format is YYMMDD.	A–R	--	X(6)	B
36	41	6	SETTLEMENT DATE The date this trade will settle. Format is YYMMDD	A	--	X(6)	B
42	53	12	QUANTITY The number of shares or quantity of bonds or option contracts.	N–R	RJ	9(12)	Z
54	67	14	NET AMOUNT The proceeds of sales or cost of purchases after commissions and other charges.	N	RJ	S9(12) V99	Z
68	68	1	BUY/SELL CODE Values: 0 = Buy, 1 = Sale, 2 = Short Sale, 3 = Buy Open, 4 = Sell Open, 5 = Sell Close, 6 = Buy Close. A = Buy Cancel, B = Sell Cancel, C = Short Sale Cancel, D = Buy Open Cancel, E = Sell Open Cancel, F = Sell Close Cancel, G = Buy Close Cancel. Values 3 to 6 and D to G are for options only	A–R	--	X	B
69	78	10	PRICE The transaction price. Format: $$$$ CCCCCC.	N–R	RJ	9(4)V(6)	Z
79	79	1	EXCHANGE CODE Exchange	A–R	--	X	B

			where trade was executed. Values:				
			A = New York Stock Exchange				
			B = NYSE MKT, LLC				
			C = Chicago Stock Exchange				
			D = NASDAQ OMX PHLX				
			E = NYSE Arca				
			F = NASDAQ OMX BX, Inc.				
			G = National Stock Exchange				
			H = BATS Exchange, Inc.				
			I = International Securities Exchange				
			J = C2 Options Exchange				
			K = Chicago Board Options Exchange				
			L = London Stock Exchange				
			M =Toronto Stock Exchange				
			N = Montreal Stock Exchange				
			O =TSX Venture Exchange				
			P = Direct Edge (EDGA Exchange)				
			Q=FINRA ADF				
			R = NASDAQ OMX/NASDAQ OMX Options Market				
			S = Over-the-Counter				
			T = Tokyo Stock Exchange				
			U = BOX Options Exchange, LLC				
			V = Direct Edge				

			(EDGX Exchange)				
			W = CBSX (CBOE Stock Exchange)				
			X = NASDAQ OMX PSX				
			Y = BATS Y-Exchange, Inc.				
			Z = Other				
			1 = ISE Gemini				
			7 = Miami International Securities Exchange				
80	80	1	BROKER/DEALER CODE Indicate if trade was done for another Broker/Dealer. Values: 0 = No; 1 = Yes	A–R	--	X	B
1	1	1	RECORD SEQUENCE NUMBER TWO Value: 2	A	--	X	--
2	2	1	SOLICITED CODE Values: 0 = No; 1 = Yes	A–R	--	X	B
3	4	2	STATE CODE Standard Postal two character identification.	A–R	--	X(2)	B
5	14	10	ZIP CODE/COUNTRY CODE Zip Code—five or nine character (zip plus four) Country code—for future use.	A–R	LJ	X(10)	B
15	22	8	BRANCH OFFICE/REGISTERED REPRESENTATIVE NUMBER Each treated as a four-character field. Both are left justified.	A–R	LJ	X(8)	B

5	14	10	ZIP CODE/COUNTRY CODE Zip Code— five or nine character (zip plus four) Country code— for future use.	A–R	LJ	X(10)	B
15	22	8	BRANCH OFFICE/REGISTE RED REPRESENTATIV E NUMBER Each treated as a four-character field. Both are left justified.	A–R	LJ	X(8)	B
23	28	6	DATE ACCOUNT OPENED Format is YYMMDD	A–R	--	X(6)	B
29	48	20	SHORT NAME FIELD Contains last name followed by comma (or space) then as much of first name as will fit.	A	LJ	X(20)	B
49	78	30	EMPLOYER NAME	A	LJ	X(30)	B
79	79	1	TIN 1 INDICATOR Values: 1 = SS#; 2 = TIN	A–R	--	X	B
80	80	1	TIN 2 INDICATOR Values: 1 = SS#; 2 = TIN—for future use.	A	--	X	B
1	1	1	RECORD SEQUENCE NUMBER THREE Value: 3	A	--	X	--
2	10	9	TIN ONE Taxpayer Identification Number Social	A–R	LJ	X(9)	B

			Security or Tax ID Number.				
11	19	9	TIN TWO Taxpayer Identification Number #2 Reserved for future use.	A	LJ	X(9)	B
20	20	1	NUMBER OF N&A LINES	A	--	X	B
21	50	30	NAME AND ADDRESS LINE ONE	A–R	LJ	X(30)	B
51	80	30	NAME AND ADDRESS LINE TWO	A–R	LJ	X(30)	B
1	1	1	RECORD SEQUENCE NUMBER FOUR	A	--	X	--
			Value: 4				
2	31	30	NAME AND ADDRESS LINE THREE	A–R	LJ	X(30)	B
32	61	30	NAME AND ADDRESS LINE FOUR	A–R	LJ	X(30)	B
62	62	1	TRANSACTION TYPE IDENTIFIERS See Attachment B for current codes.	A–R	--	X	B
63	80	18	ACCOUNT NUMBER Account number	A–R	LJ	X(18)	B

1	1	1	RECORD SEQUENCE NUMBER FIVE Value: 5	A	--	X(1)	--
2	31	30	NAME AND ADDRESS LINE FIVE	A–R	LJ	X(30)	B
32	61	30	NAME AND ADDRESS LINE SIX	A–R	LJ	X(30)	B
62	65	4	PRIME BROKER Clearing number of the account's prime broker.	A–R	LJ	X(4)	B
66	66	1	AVERAGE PRICE ACCOUNT 1 = recipient of average price transaction. 2 = average price account itself.	N–R	--	9(1)	Z
67	71	5	DEPOSITORY INSTITUTION IDENTIFIER Identifying number assigned to the account by the depository institution.	A–R	LJ	X(5)	B
72	77	6	Order Execution Time HHMMSS – Time format will be in Eastern Time and 24 hour format.	A-R	LJ	--	--
78	80	3	FILLER	A	--	X	B
1	1	1	RECORD SEQUENCE NUMBER SIX Value: 6	A	--		--

2	9	8	DERIVATIVE SYMBOL The symbol assigned to the derivative	A-R	LJ	--	B
10	15	6	EXPIRATION DATE The date the option expires. Format is YYMMDD	A-R	--	--	B
16	16	1	CALL/PUT INDICATOR C = Call, P = Put	A-R	--	--	B
17	24	8	STRIKE DOLLAR The dollar amount of the strike price	N-R			
25	30	6	STRIKE DECIMAL The decimal amount of the strike price	N-R	RJ	--	Z
31	80	50	FILLER	A	LJ	--	B
1	1	1	RECORD SEQUENCE NUMBER SEVEN Value: 7	A	--	--	
2	14	13	Large Trader Identification 1	A-R	LJ	--	Z
15	27	13	Large Trader Identification 2	A-R	LJ	--	Z
28	40	13	Large Trader Identification 3	A-R	LJ	--	Z
41	41	1	Large Trader Identification Qualifier	A-R	LJ	--	Z
42	49	8	Primary Party Identifier Identity of the party to the	A-R	LJ	--	B

			trade that is represented by the Submitting Broker of an EBS. Acceptable values include MPID, CRD or OCC Clearing Number.				
50	57	8	Contra Party Identifier Identity of the contra party to the trade that is represented by the Opposing Broker of an EBS. Acceptable values include MPID, CRD or OCC Clearing Number.	A-R	LJ	--	B
58	80	23	FILLER	A	LJ	--	B
1	1	1	TRAILER RECORD DATE One record per submission. Must be the last record on the file. Value: High Values or "9"	A	--	X	--
2	17	16	TOTAL TRANSACTIONS The total number of transactions. This total excludes Header and Trailer Records.	N	RJ	9(16)	B
18	33	16	TOTAL RECORDS ON FILE The total number of 80 byte records. This total includes Header and Trailer	N	RJ	9(16)	Z

			Records, but not the Datatrak Header Record (i.e., it does not include the first record on the file).				
34	80	47	FILLER	A	--	X(47)	B
			Field Format A = Alphanumeric (all caps) N = Numeric P = Packed B = Binary R = Validation Required	Default Values B = Blanks Z= Zero	Justify RJ = Right Justification of Data LJ = Left Justification of Data		

Attachment B
Record Layout for Submission of Trading Information

Transaction Type Security Type	Equity*	Options
Non-Program Trading, Agency	A	C
Non-Index Arbitrage, Program Trading, Proprietary	C	
Index Arbitrage, Program Trading, Proprietary	D	
Index Arbitrage, Program Trading, Individual Investor	J	
Non-Index Arbitrage, Program Trading, Individual Investor	K	
Non-Program Trading, Proprietary	P	F
Non-Program Trading, Individual Investor	I	
Non-Index Arbitrage, Program Trading, Agency	Y	
Index Arbitrage, Program Trading, Agency	U	
Designated Market Makers	S	S
Market-Maker		M
Non-Member Market-Maker/Specialist Account		N
Stock Specialist — Assignment		Y
Customer Range Account of a Broker/Dealer		B
Error Trade	Q	
Registered Trader Market Maker Transaction Regardless of the Clearing Number		P
Voluntary Professional		W

* Equity securities include those securities that trade like equities (e.g., ETFs and structured products).