

SUMMARY OF CTA/UTP GENERAL SESSION OF MAY 20, 2015*

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), 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/quarterly_metrics and <https://cta.nyxdata.com/CTA>).
2. **SIP Reports.** The SIPs reported on their performance and activities since the February 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/quarterly_metrics and <https://cta.nyxdata.com/CTA>).
3. **Advisory Committee Comments.** Advisory Committee representatives recommended clarification of the nonprofessional subscriber definition, greater harmony among the UTP, CTA and OPRA Plan nonprofessional subscriber definitions, greater consistency in the application of the nonprofessional subscriber rules in an audit situation and better tools for making nonprofessional subscriber determinations. Participants asked for specific recommendations to improve harmonization and emphasized the importance of using the “nonprofessional subscriber” questions to qualify subscribers. Using FINRA’s BrokerCheck public web site (<http://brokercheck.finra.org/>) and the SEC Registered Investment Advisor public web site (<http://www.sec.gov/investor/brokers.htm>) were also discussed to qualify U.S. registered subscribers.

Advisory Committee representatives also requested the Participants to consider expanding the current UTP Plan net reporting program to see if a manageable administrative process can

be adopted for the net reporting of vendor-reported subscribers, despite difficulties associated with indirect billing.

4. Status of Plan Amendments. CTA, CQ and UTP Plan amendments to require Participants to report timestamps have been filed with the Commission, which has published them in the Federal Register. A CTA Plan amendment to impose a non-compliance fee for failure to comply with requirements relating to the display of cumulative volume alongside unconsolidated quotes and trades has also been filed.
5. Industry Representation. The Participants discussed ways to increase industry representation in the governance of the UTP, CTA and CQ Plans, as well as the need to fill the Institutional Representative position on the Advisory Committee.
6. FINRA OMDF Quote Feed Merge Proposal. The UTP Processor currently disseminates consolidated quotes in one datafeed (UQDF) and disseminates the OTC montage in a separate datafeed (OMDF). The consolidated quote datafeed publishes FINRA's attributed best bid and offer. The OTC montage publishes the best bids and offers of individual FINRA members. FINRA proposed to merge the OTC montage (OMDF) into the consolidated quote datafeed (UQDF).
7. Timestamps. Test schedules have been set for timestamps. Implementation is scheduled for the end of July and beginning of August. [CTA Timestamp Notice (<https://www.ctaplan.com/cta/popup/news/2556>): UTP Timestamp Notice (<http://www.nasdaqtrader.com/TraderNews.aspx?id=UTP2015-07>)]
8. APIs. The Participants discussed the on-going work to address defining and differentiating APIs and datafeeds. Participants also discussed moving to one professional device rate from four rates on CTA Network A to continue to simplify and harmonize the fee structures. Recommendations for pricing proposals for UTP are also anticipated.
9. Capacity Plan. The pilot capacity planning process was discussed. Under the plan, the SIPs take the lead in providing the capacity numbers and bandwidth recommendations.
10. UTP Plan Enterprise Cap Increase. The UTP Plan administrator recommended a small increase in the enterprise cap that maximizes the fees payable for distribution of prices and quotes to nonprofessional subscribers that are brokerage account customers of a broker/dealer. [Note: The Participants subsequently voted to approve the increase.]
11. CTC Plan and UTP Plan Processor. The status of negotiations of a processor agreement with Nasdaq and of the crafting of an updated UTP Plan (to be called the "CTC Plan") was discussed.

* This summary is intended as an informal recap of discussions that occurred at the general session and is subject to revision and to the approval of those who participated in the general session.

Agenda for May 20, 2015 Executive Session

1. Approval of the Minutes
2. Administrator Reports
3. Subcommittee Updates
 - a. CTC LLC Subcommittee
 - b. UTP/CTA Policy Subcommittee
 - c. SIP Timestamp Update
 - d. Capacity Planning
 - e. Trade Reporting Subcommittee
4. Participant Items
 - a. NDAQ ETMF Proposal
 - b. CBOE Proposal/Inactive Participants in the Plans
 - c. BATS Committee Composition
 - d. New Entrants
 - e. Customer Request – Non Display
5. SIP Report
 - a. Biannual Reviews
 - b. SIP Emergency Procedures
 - c. Reg SCI