

IMPORTANT NOTICE

National Securities Clearing Corporation



A#: 6935
P&S# 6505
Date: January 22, 2010
To: **ALL PARTICIPANTS**
Attention: **MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; MANAGER P&S DEPARTMENT; MANAGER DATA PROCESSING DEPARTMENT**
From: **CLEARANCE PRODUCT MANAGEMENT**

Subject: **REPORTING FOR DIRECT EDGE EDGA AND DIRECT EDGE EDGX EXCHANGES – ENHANCE REGIONAL INTERFACE OPERATION (RIO) & CONSOLIDATED TRADE SUMMARY**

In first quarter 2010, subject to SEC approval of Direct Edge EDGA and Direct Edge EDGX exchanges receiving exchange status, National Securities Clearing Corporation (NSCC) will enhance its Regional Interface Output (RIO) intra-day Machine Readable Output (MRO) contracts and end-of-day print image contracts to include trades executed on Direct Edge's EDGA and EDGX exchanges. In addition, NSCC will modify its Consolidated Trade Summary (CTS) MRO and print image output to uniquely identify Direct Edge EDGA and Direct Edge EDGX as separate exchanges.

NSCC will report Direct Edge EDGA and Direct Edge EDGX exchange trades on the RIO output with the contra clearing firm 8602 and contra executing broker "ANON" to support post-trade anonymity.

RIO output enhancements are specified below:

A. Regional Interface Operation (RIO) Contracts

- **NSCC RIO Intra-day MRO Contract Output, AutoRoute #02143125**
NSCC will display the value of "XDEA" and "XDEX" in the Originating Market/Trade Source field for Direct Edge EDGA exchange and Direct Edge EDGX exchange, respectively, on the RIO MRO contracts. The Originating Market / Trade Source field is in position 105-108.

Description	Length	Start	End	Type	Comments
Originating Market / Trade Source	4	105	108	A/N	XDEA = Direct Edge EDGA Exchange XDEX = Direct Edge EDGX Exchange

- **NSCC RIO End-of-Day Print Image Contracts, AutoRoute #02140124**

The RIO print image contract segregates the reporting for each regional exchange. Trade data for each exchange is sorted by settlement date. Trade data executed on Direct Edge EDGA and Direct Edge EDGX exchanges will be segregated as well. Examples of RIO Print Image reports for Direct Edge EDGA and Direct Edge EDGX exchanges are attached in Exhibit A.

RIO print contracts have a totals section at the end of each participant’s print image report. The RIO report totals for Direct Edge EDGA and Direct Edge EDGX exchanges will be reported under “DEA EXCH” and “DEX EXCH”, respectively. An example of a RIO print contract total section for Direct Edge EDGA and Direct Edge EDGX exchanges is attached in Exhibit B.

B. Consolidated Trade Summary

- **NSCC Consolidated Trade Summary, MRO File, AutoRoute #02042354 and the Supplemental Consolidated Trade Summary Cycle 1 and 2, AutoRoute #02040954**

The Consolidated Trade Summary (CTS) reports are distributed three times a day. NSCC will begin to display the value of “DA” for Direct Edge EDGA exchange and “DX” for Direct Edge EDGX exchange in the “Market Name” field, position 26-27, on all three CTS reports.

Description	Length	Start	End	Type	Comments
Market Name	2	26	27	A/N	Market Exec. or Trade Source of Input DA = Direct Edge EDGA Exchange DX = Direct Edge EDGX Exchange

- **Print Image Reports – CTS (AutoRoute #02042353) and the Supplemental CTS Cycle 1 and 2 (AutoRoute #02040953)**

NSCC will begin to display the value of ‘DA’ for Direct Edge EDGA exchange and ‘DX’ for Direct Edge EDGX exchange in the “MKT” column on the print image CTS. Please refer to Exhibit C and D for an example of the CTS print image report enhancement.

C. Timing and Future NSCC Important Notices on Timing

NSCC will distribute an additional important notice to announce the implementation date of Direct Edge EDGA exchange and Direct Edge EDGX exchange reporting their trade data as exchanges.

D. Additional Information

If you need additional information or have additional questions about this important notice, please contact your DTCC Relationship Manger or the undersigned. If you have questions for Direct Edge, please call 201-942-8220 or E-mail to decs@directedge.com .

Robert M. Yodice
Director, Product Management

IMPORTANT NOTICE

National Securities Clearing Corporation



NATIONAL SECURITIES CLEARING CORPORATION

REGIONAL INTERFACE OPERATIONS REPORT - RIO

PAGE 8

Exhibit A

STOCK S A L E CONTRACT

TRANSACTIONS RECORDED FOR SETTLEMENT AT NSCC
RECEIVED FROM THE DIRECT EDGE A EXCHANGE

T-DATE: T+0
PROCESS-DATE: 10/25/2008

MEMBER NO 9999 ABC Securities Corp.

TRADE-DATE: 01/25/2010 SETTLEMENT-DATE: 01/28/2010

SYMBOL - SECURITY DESCRIPTION	CONTRACT	SELL	BUY	MARKET	BRANCH	EXEC	STK	RV	SP/tp	PRC				
CUSIP	QUANTITY	MONEY	EXEC	PRICE	BUYER	EXEC	EXEC	CONTROL#	ID-SEQ	TIME	BND	IND	TRADE	VAR

XXXX - STOCK, INC.

171779 10 1	100,000	420,000.00	4.200000	8602 ANON	002078906160	11:15	S
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YYYY - AMERICA, INC.

69423U 10 7	4,400	91,960.00	20.900000	8602 ANON	001345506160	10:31	S
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NATIONAL SECURITIES CLEARING CORPORATION

REGIONAL INTERFACE OPERATIONS REPORT - RIO
TRANSACTIONS RECORDED FOR SETTLEMENT AT NSCC
RECEIVED FROM THE DIRECT EDGE X EXCHANGE

PAGE 8

T-DATE: T+0

PROCESS-DATE: 10/25/2008

STOCK S A L E CONTRACT

MEMBER NO 9999 ABC Securities Corp.

TRADE-DATE: 01/25/2010 SETTLEMENT-DATE: 01/28/2010

SYMBOL - SECURITY DESCRIPTION	CONTRACT	SELL	BUY	MARKET	BRANCH	EXEC	STK	RV	SP/tp	PRC				
CUSIP	QUANTITY	MONEY	EXEC	PRICE	BUYER	EXEC	EXEC	CONTROL#	ID-SEQ	TIME	BND	IND	TRADE	VAR

XXXX - STOCK, INC.

171779 10 1	100,000	420,000.00	4.200000	8602 ANON	002078906160	11:15	S
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YYYY - AMERICA, INC.

69423U 10 7	4,400	91,960.00	20.900000	8602 ANON	001345506160	10:31	S
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Exhibit B

DTCC provides access to all important notices via a Web-based subscription service. The notification system provides real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

xSTOCK S A L E CONTRACT TOTALS

***** **** BROKER TOTALS **** *****
 **** FOR ALL REGIONS ****

PROCESS DATE: 01/25/2010

MEMBER NO 9999 ABC SECURITIES INC.

REGION DESCRIPTION	ITEMS	QUANTITY	CONTRACT MONEY	T-DATE
DEA EXCH				
	9	358,735	3,854,311.90	NSST TRADES T
	1	105,000	2,979,900.00	T+1
			.00	T+2
			.00	T+3 / OLDER SAME DAY SETTLEMENT
			.00	T+3 / OLDER NEXT DAY SETTLEMENT
TOTALS ==>	10	363,735	6,834,211.90	
DEX EXCH				
	9	358,735	3,854,311.90	NSST TRADES T
	1	105,000	2,979,900.00	T+1
			.00	T+2
			.00	T+3 / OLDER SAME DAY SETTLEMENT
			.00	T+3 / OLDER NEXT DAY SETTLEMENT
TOTALS ==>	10	363,735	6,834,211.90	
ALL				
			.00	NSST TRADES
ALL	20	717,470	7,708,623.80	T
REGIONS	2	210,000	5,959,800.00	T+1
ALL			.00	T+2
ALL			.00	T+3 / OLDER SAME DAY SETTLEMENT
REGIONS			.00	T+3 / OLDER NEXT DAY SETTLEMENT
TOTALS ==>	22	268,735	13,268,423.80	

TSR800C0

CNS-CONSOLIDATED TRADE SUMMARY

PROCESSING DATE 01/25/10

Exhibit C

DEPOSITORY: D

CURRENCY: USD

MEMBER NO: 9999 MEMBER NAME: ABC SECURITIES CORPORATION SETTLEMENT DATE 01/27/10 PAGE 1

MKT	SEC	SYMBOL	CUSIP	SECURITY DESCRIPTION	PURCHASED QUANTITY	SELL QUANTITY	DEBIT VALUE	CREDIT VALUE	SXM STS
DA	GMST		36866W106	GEMSTAR-TV GUIDE INTL INCEW0 U	9,900		28,075.41		
DX	GMST		36866W106	GEMSTAR-TV GUIDE INTL INCEW0 U	9,900		28,075.41		
NET					18,800		56,150.82		

BOND TOTALS		
NET BONDS		
STOCK TOTALS	18,800	56,150.82
NET STOCKS	18,800	56,150.82
TOTALS TRADE	18,800	56,150.82
NET TRADES	18,800	56,150.41

Exhibit D

TSR801C0

CNS-CONSOLIDATED TRADE SUMMARY

PROCESSING DATE 10/26/08

G R A N D T O T A L

SETTLEMENT DATE 01/27/10 PAGE 1

DEPOSITORY: D

CURRENCY: USD

EXCH CODE	MARKET OF EXECUTION OR SOURCE OF TRADE DATA	ITEMS	S T O C K SHARES	P U R C H A S E D VALUE	ITEMS	S T O C K SHARES	S O L D VALUE
AB	ALL BASKETS						
AM	AMERICAN STK EXCH						
BA	BATS EXCHANGE						
BN	NASDAQ BX						
CA	CHICAGO BD OPTS E						
CE	CHICAGO MERC EXCH						
CI	CINCINNATI STK EX						
CR	CORRESPONDENT CLR	9	260,212	2,413,612.00	9	260,212	2,413,612.00
DA	DIRECT EDGE A	4	400,000	1,000,000.00	4	400,000	1,000,000.00
DX	DIRECT EDGE X	3	100,000	1,100,000.00	3	100,000	1,000,000.00
FL	FLIPPED TRADES						
ID	INST DELY SYS(DTC						
IS	INTL SEC EXCH						
MW	MIDWEST STK EXCH						
NY	NEW YORK STK EXCH	18	436,877	7,648,934.41	18	436,877	7,648,934.41
OC	OVER THE COUNTER	53	633,313	14,774,914.49	53	633,313	14,774,914.49
OL	NYSE ODD LOT SYST						
OP	OPTIONS CLRG CORP						
PC	PACIFIC STK EXCH						
PH	PHILADELPHIA STK						
XX	OTHER						
	CLEARED-GRAND TOTALS	87	1,830,402	26,837,460.90	87	1,830,402	26,837,460.90
	CLEARED-NET POSITIONS	64	934,164	20,774,046.17	64	934,164	20,774,046.17