



FAQs: BARX Book

As of October 2020

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1. Introduction

BARX Book is a single dealer platform (“SDP”) owned by Barclays Capital Inc. (“BCI”) and hosted by Nasdaq’s Operations and Compliance Network (“Ocean”). BARX Book has been designed to allow clients access to Barclays’ principal liquidity. BARX Book is not an alternative trading system (“ATS”) as defined by SEC Regulation ATS. BCI is registered as a broker-dealer with the United States Securities and Exchange Commission. BCI is a member of FINRA and is subject to the regulation of the SEC, FINRA and other SROs.

2. Basic Information

- BCI is the contra party to every trade executed in BARX Book.
- BARX Book does not match agency orders against other agency orders.
- BARX Book uses the MPID “BBOK”, which is also the MIC Code.
- Trades are reported to Nasdaq Trade Reporting Facility (“TRF”).
- Client orders are not routed externally.

3. Market Data

BARX Book uses a full network of redundant direct data feeds and, in some instances the SIP to calculate the NBBO in a manner consistent with that of the Nasdaq Stock Exchange. BARX Book uses full network redundant SIP as a secondary source for market data feed.

4. Hours of Operation

- Primary Trading Session: 9:30 a.m. EST to 4:00 pm EST.
 - Orders become eligible for execution at 9:30 a.m. EST or thereafter, once the symbol has opened on the primary market and BARX Book has received a security status code of “Open”.
 - Orders can be sent to BARX Book starting from 8:00 a.m. EST. Orders received by BARX Book prior to its open are entered into the queue and become eligible for execution on or after 9:30 a.m. EST.
 - Unexecuted orders will be cancelled at 4:00 PM EST or earlier in the event of a shortened trading day or early close.
 - Barclays in its sole discretion will choose whether or not to open BARX Book in whole or in part for any reason whatsoever including, but not limited to, market conditions or technological or other issues.

5. Access to BARX Book

Clients can access BARX Book as follows:

- (a) Directly via a FIX order entry connection (No proprietary protocol available).
- (b) Through Barclays' smart order router ("SOR")¹ and algorithms.

6. How does BARX Book match orders?

- a. BARX Book will match eligible orders based on price/time priority.
- b. While Barclays will be the contra party on every client execution, not every client order will be eligible to interact with liquidity being provided from the Systematic Principal Liquidity ("SPL") group.²
- c. As further described in response to FAQ 10 below, the identities of clients directing orders to BARX Book may be known to Barclays' SPL group. Clients can direct orders to BARX Book using BARX Book Tactic, a direct FIX connection or by specifically selecting BARX Book as the venue using the SOR. The SPL group may limit bespoke liquidity to different individual clients and/or flow segments that it can identify at any time and in its sole discretion.
- d. BARX Book may also match Barclays' principal orders with other Barclays' principal orders.

7. What order types does BARX Book support?

- a. Limit
- b. Day and Immediate or Cancel ("IOC")
- c. Pegged orders at the near, mid and far side of the NBBO
- d. Additional Liquidity IOC (Described in detail in FAQ 8)
- e. Conditional and conditional eligible firm orders
- f. Odd lots and mixed lots
- g. Minimum Quantity – Will not aggregate multiple orders to satisfy the min quantity instruction. BARX Book will by default treat any leaves quantity that falls below the min quantity as the new min quantity. BARX Book also offers the option to cancel back any leaves quantity that falls below the min quantity.

¹ Barclays has developed a new smart order router ("SOR") for US equities that leverages its new electronic trading platform and existing Algorithmic Trading Strategies. Please review the Smart Order Router FAQs document available at barx.com/eqdisclosures for more details.

² Systematic Principal Liquidity ("SPL") is a group within Barclays Equities tasked with centralizing liquidation, minimizing execution costs, and systematically providing clients of BARX Book with liquidity.

8. How does Additional Liquidity IOC (“ALIOC”) order work?

ALIOC is an order type that allows clients to request additional liquidity directly from the Systematic Principal Liquidity group in the event that there is not enough liquidity available in BARX Book to satisfy the client’s order. The ALIOC request message will disclose the client’s identity in addition to the symbol, side, price, full order quantity and quantity not already matched in BARX Book. Upon receipt of an ALIOC order, the SPL group will have the option to fill the order in its entirety, partially or to cancel the order back to the client. Use of the ALIOC order may incur additional latency.

9. Does BARX Book Send Indications of Interest (“IOIs”)?

BARX Book may publish an IOI that provides potential trading interest from principal liquidity residing in the book. Barclays smart order router may consume this IOI feed and may use the IOI as part of its order routing decision making process. BARX Book IOIs may be made available to clients and vendors at Barclay’s sole discretion. Agency orders are not included in BARX Book IOIs.

10. What information is available to Barclays and/or Ocean employees?

Barclays has established information barriers and procedures which endeavor to protect clients’ confidentiality. The details of these existing procedures can be found documented in our order handling instructions available at:

investmentbank.barclays.com/disclosures.html
barx.com/eqdisclosures

Barclays developers, technical and trade support personnel³ and Ocean personnel tasked with supporting BARX Book will have access to all BARX Book data for the purposes of carrying out their duties. Ocean personnel possessing such access include members of Ocean Operations, Ocean Compliance, Ocean CORE Technology, Ocean Surrounding Technology and Ocean Business & Product Management.

As described in response to FAQ 6 above, the SPL group may limit bespoke liquidity available to different individual clients and / or flow segments that it can identify. A description of the anonymity settings available for each access method is set forth below.

Clients can choose to interact with BARX Book on an anonymous or disclosed basis by choosing how they access BARX Book. Clients can access BARX Book through the Barclays suite of algos or SOR, using the BARX Book Tactic or sending a direct order through the Barclays SOR or through a direct FIX connection. The method that a client uses to access BARX Book will determine what information and when the information is available to the SPL group as follows:

³ Barclays personnel described herein must be authorized, and may be employees of Barclays Capital Inc. or one of its affiliates.

I. Barclays Algos or SOR

Executions will be visible in real time to the SPL group. However, the client will remain anonymous and their order information will not be disclosed on trade date.

On T+1, executions will be visible to the SPL group using individual anonymized masked IDs for each client. Anonymized order data will also be available on T+1 aggregated by symbol, side, price, order type broken out by time buckets. Clients can opt out of T+1 disclosures on executions or orders.

II. BARX Book Tactic

Client ID, execution and order details will be disclosed in real-time to the SPL group by default. Clients may request to have the ability to send BARX Book tactic orders anonymously; in which case, the execution and order details will be disclosed in real time, but the client ID will remain anonymous. Notwithstanding any election to trade anonymously, use of the ALIOC order type in the BARX Book tactic will always result in client ID, order and execution details being disclosed to the SPL group in real time.

III. Directed Oder through Barclays SOR

Client ID, execution and order details will be disclosed in real time to the SPL group by default. Clients may request to have the ability to send directed orders to BARX Book through the SOR anonymously; in which case, the execution and order details will be disclosed in real time, but the client ID will remain anonymous.

IV. Direct FIX Connection

Client ID, execution and order details will be disclosed in real time to the SPL group by default. Clients may request to have the ability to send orders to BARX Book through FIX connection anonymously; in which case, the execution and order details will be disclosed in real time, but the client ID will remain anonymous.

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