



May 22, 2020

TO: ALL NYSE MEMBERS AND MEMBER ORGANIZATIONS

FROM: NYSE REGULATION

SUBJECT: ADDITIONAL INFORMATION FOR FLOOR BROKERS FOLLOWING RESUMPTION OF TRADING OPERATIONS ON THE TRADING FLOOR ON MAY 26, 2020

Purpose

In connection with the resumption of trading operations on the trading Floor at 11 Wall Street (the "Floor") on May 26, 2020, all Floor brokers are reminded of the following requirements relating to use of wireless or cellular phones on the Floor and rules and policies relating to trading activity that can impact the Closing Auction. This memorandum supplements NYSE IM-20-03 (concerning Standards of Conduct for the Safety and Welfare of Persons on the Trading Floor Relating to COVID-19), which was issued on May 14, 2020.

Member organizations should provide a copy of this memorandum to all Floor employees.

NYSE Rule 36 (Communication Between Exchange and Members' Offices) Requirements

Floor brokers returning to the Floor should assess whether they will need to use a cellular or wireless phone. NYSE Rule 36 permits Floor brokers to use personal or firm-issued cellular or wireless phones on the Floor of the Exchange to engage in direct voice communication from the point of sale on the Floor to an off-Floor location.¹ However, prior to such use, a Floor broker must comply with the following requirements:

¹ See NYSE Regulatory Bulletin NYSE RB 17-02, "NYSE Rule 36 - Use of Non-NYSE Provided Cellular Phones on the Floor of the Exchange," available at <https://www.nyse.com/publicdocs/nyse/markets/nyse/rule-interpretations/2017/NYSE%20RB%2017-02%20NYSE%20Rule%2036%20phone%20use%20Advisory%20RB%20-%20FINAL.pdf.pdf>.

- register the device with the Exchange;
- complete an attestation at the time of registration that he or she is aware of and understands the rules governing the use of telephones on the Floor; and
- maintain records of the use of telephones and all other approved alternative communication devices, including logs of calls placed.

Floor brokers are free to use a phone that he or she has previously registered. However, Floor brokers are reminded that phones are not transferable. If a Floor broker wishes to use a phone that has been previously registered by a different Floor broker, the Floor broker who now intends to use the phone must complete all the steps outlined above.

Floor brokers should consult NYSE Regulatory Bulletin 17-02 (July 17, 2017) for more information on the phone registration process.

Floor brokers are reminded that Rule 36.21 does not permit the use of approved cellular or wireless phones to transmit video from the point of sale on the Floor to off-Floor locations. Moreover, applications to approve the use of existing or additional devices to transmit video from the Floor will not be considered.

Impact of Late Day Activity on the Closing Auction

Member and member organizations are reminded of their obligation to ensure that their activity does not have the effect of improperly impacting the closing price. Trading at or near the Closing Auction is of particular concern. Members and member organizations are reminded that certain orders or order entry practices at or near the Closing Auction can result in price dislocation in the stock or distort the closing price, including if the size of the order is unusual in relation to the average daily volume of the stock or otherwise cannot easily be absorbed because of prevailing market conditions. As a result, concerns regarding manipulation and disruptive trading may be heightened when trading occurs at or near the close. Members and member organizations should not hold back large interest until at or near the Closing Auction and are advised that, if they do, they may face disciplinary action for potentially affecting the Close inappropriately. Manipulative or disruptive price movement or trading, regardless of size, is strictly prohibited. Members and member organizations are reminded that their orders may execute at multiple prices in a series of transactions that are distinct from the Closing Auction. Member organizations should review procedures utilized in connection with orders to be executed at or near the Closing Auction with their traders and other order-entry personnel.

Contact Information

Regulatory questions relating to this bulletin should be addressed to:

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