



September 21, 2018

Subscriber and Vendor Notice: Approval received for conditional orders

MATCHNow has received regulatory approval to introduce conditional orders. The formal notice of approval can be found [here](#).

Conditional orders or "Conditionals" allow Subscribers to send a conditional order message, that indicates a potential interest to trade. Conditional orders are not executable until the sender is invited -- and actually accepts -- to "firm-up" such order. An invitation to "firm-up" can only be transmitted to a Subscriber when contra liquidity is found in the Conditionals book.

Invitations will be sent for all conditional orders that are tradeable in the book at that time (i.e. meeting price and "minimum quantity" criteria), without regard to broker preferencing.

Upon receipt of a "firm-up" message, the Subscriber will then have a defined period of time, specifically one second, to firm-up the conditional order. If the Subscriber does not respond to the firm-up request, the conditional order will automatically be cancelled (what is known as a "fall down" of the conditional order). In the event that the conditional order is "firmed-up" (i.e. where a firm-up message has been sent back by the Subscriber in time), it will be executed in accordance with the existing MATCHNow matching logic, which includes mid-point execution, subject to broker preferencing, and on a pro rata basis.

Please see attached examples and diagram for more information on how conditionals will work in MATCHNow

Technical implementation:

- Subscribers will need new FIX order entry sessions to connect to the conditionals destination (no port or session fees are charged by MATCHNow)
- Existing cross connects can be used
- Draft FIX specifications are attached here and the latest version can always be downloaded from our website [here](#)

Availability:

Conditionals will be running in our UAT environment from Monday October 1st. Please contact the MATCHNow team to connect to our UAT environment for testing.

Production environment launch date:

Monday January 7th 2019

UAT environment launch date:

Monday October 1st 2018

Best regards,

The MATCHNow Team