



ISE ADVISOR

International Securities Exchange.

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ISE Advisor - Risk Management Enhancement: Market Wide Speed Bump

Welcome back to **the ISE Advisor**, our member email service designed to keep you up-to-date on news and highlights from the ISE marketplace.

ISE is pleased to announce the implementation date for a new Market Maker risk management feature, the Market Wide Speed Bump (MWSB)*.

The Market Wide Speed Bump will go live on February 18, 2014.

The MWSB will allow ISE and ISE Gemini Market Makers to better manage risk across each of the markets. The MWSB will remove a market maker's quotes automatically across all products and will prevent new quotes from being accepted if the specified number of curtailment events occur within the specified time period. This new mandatory risk management feature supplements existing functionality which requires Market Makers to set curtailments on a class-by-class basis.

Market Wide Speed Bump Behavior:

- Inactivates quotes and prevents new or existing quotes from being activated
- Triggered based on a value, which is defined as the number of curtailment events within a specified time period across the entire market
- Value defined by the Market Maker and implemented by Market Operations
- Threshold established and calculated for the ISE and ISE Gemini markets, independently
- Quote reactivation and re-entry into the market requires contacting Market Operations
- Mandatory for all Market Makers

Market Makers will be required to define the MWSB value and identify the designated authority for market re-entry. Please contact Market Operations at 1-877-473-9989 or helpdesk@ise.com to fulfill these requirements by February 14, 2014.

Please contact Technology Member Services to test MWSB in the member test environment. Certification is not required.

*** pending regulatory clearance.**

For additional information on ISE's suite of Risk Management features, please contact ISE Business Development at bizdev@ise.com or 212-897-8171.