KCG

Market Insights

Demystifying Order Types

September 2014

by Phil Mackintosh

CONTENTS

The crib sheet

More than 18 months ago, BATS CEO commented that the proliferation of order types had resulted because the market structure was very complex. In turn, the creation of new order types also contributed to more complexity. More recently the ICE CEO has joined the fray, calling for a moratorium on new order types. However, there have been no industry-wide efforts to simplify order types, despite the NYSE's recent filing to eliminate 15 order types.

We find that order type complexity is driven by a number of things:

1. Exchange proliferation
2. Order combinations and permutations
3. Efforts to comply with rules and minimize costs
4. Exchanges having the freedom to innovate

When we list out all the order types, we see that:

- Many perform similar functions
- Order types have been created to benefit retail, institutional and high frequency traders
- Many have been designed to make trading simpler

Order types are intertwined with other features of the market structure, including bans on locked markets, the maker taker model and latency. Simplifying order types is easier said than done. Done on its own, it may do more harm than good.

Another order of complexity

Order types have been in the news recently. But that doesn't make the issue new. Back in January 2013 BATS COO said they had "more than 2,000" order types. At that time, BATS CEO said:

> *"I think you could do away with a significant amount of complexity by simplifying some of the regulatory guidelines."*

In BATS's case, the slide order types contributed to their problem. That helped support a market wide belief that new order types are a result of exchanges catering to HFT—at the expense of long-term investors.

More recently, the ICE CEO has voiced similar concerns, and recently called for a moratorium on new order types and suggested that exchanges work together to eliminate many order types, saying:

> *"I am uncomfortable with having all of these order types. I don't know why we have them."*

New orders have slowed, but deletions have been few

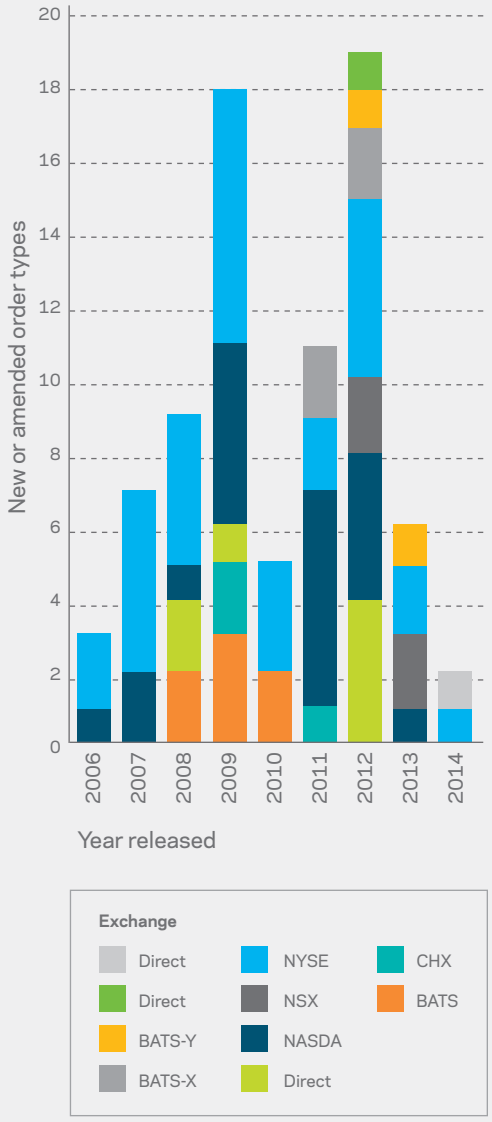
Despite comments from exchanges, SEC filings show that exchanges have eliminated few order types. There have been no industry-wide efforts to simplify or reduce order types.

NYSE has recently moved to eliminate 15 order types (see sidebar on page 3). However, even these changes have met with criticism.

We couldn't find anywhere near 2,000 order types

We searched exchange websites and SEC filings to see what order types they disclosed. What we found was less than 160 different order types.

EXHIBIT 1: SEC Order type filings have fallen dramatically from their peak in 2012.



Source: KCG Data

Exchange proliferation perpetuates the problem

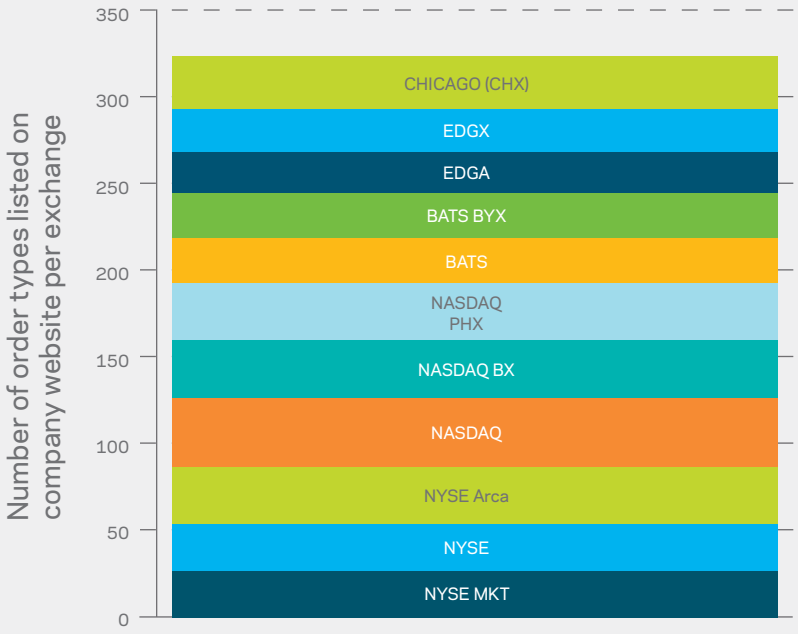
The fact that we have 11 exchanges perpetuates the problem. For example, we found around 12 order types that are broadly used by exchanges (see top section of Table 1 on page 4) and around five more that are used in auctions by primary exchanges.

However, as each exchange is its own SRO, it can modify details of even simple order operations, as NYSE does here for market orders.

If we add the order types for each venue, we get 324 different order types. Exchange fragmentation is a big part of the order complexity problem.

Recent consolidation has left us with three exchange groups that control 98% of exchange volume. Despite strong criticism (from exchanges) who say the multiple dark venues make the market opaque, little has been done to reduce exchange fragmentation. In fact, there are still 11 exchanges, even though the top five control 82% of exchange trading. And almost as soon as the NSX & CBSX announced they would close, IEX announced plans to become an exchange.

EXHIBIT 2: Exchange fragmentation adds to the number of order types available and the complexity they create.



Source: KCG Data, June 2014

NYSE to eliminate 15 order types

NYSE recently took the initiative with a filing to eliminate 15 order types.

1. Passive discretionary
2. Discretion limit
3. Sweep reserve
4. Random reserve
5. Passive liquidity select
6. Undisplayed price
7. Midpoint cross
8. IOC cross
9. PNP cross
10. PNP cross and post
11. Portfolio crossing service order
12. Day cross (cross with day time-in-force)
13. Market to limit
14. Now orders with reserve modifier (no longer accepted)
15. Market orders with a now or IOC modifier (no longer accepted)

Demystifying Order Types

TABLE 1: Order types vary by exchange

We searched exchange websites for details of the order types they have.

We have grouped orders by key feature. We have also highlighted:

- New order types green: Since 2006 most new order types are focused in the fee and route control category.
- Dark order types are highlighted gray. Note that a number of these are also new.

We also noticed that what each exchange calls an order type can vary, such as for time-in-force instructions.

Total Unique Order Types
133

Total Order Types (All Exchanges)
324

	NYSE Group = 3		Nasdaq Group = 3	BATS Group = 4		
Total Order Types	54	33	106	52	48	31
	NYSE/MKET (Amex)	**NYSE Arca**	**NASDAQ (LLC, PHX & BX)**	**BATS and BATS BYX**	**EDGA and EDGX**	**Chicago (CHX)**
Common	Limit	Limit	Limit	Limit	Limit	Limit
	Market	Market	Market	Market	Market	Market
	Immediate or Cancel	Immediate or Cancel	Immediate or Cancel	Immediate or Cancel	Immediate or Cancel	Immediate or Cancel
	Intermarket Sweep		Intermarket Sweep	Intermarket Sweep	Intermarket Sweep	ISO
		Reserve	Reserve	Reserve	Reserve	Reserve
	Good Till Canceled	Good Till Canceled	Good Till Canceled	Good Till Canceled		
	Day			Day	Day	Day
		Fill or Kill			Fill or Kill	Fill or Kill
			Post-only	Post-only		Post-only
	Stop				Stop	
			All or None			
					Stop Limit	
Auction	Market At the Open		Opening Cross			Opening Cross
	Limit At the Open		On-Open*			
	Market At the Close	Market At the Close	On-Close*		Edge Market Close	
	Limit At the Close	Limit At the Close	Imbalance-Only Open*			
	Closing Offset (CO)		Imbalance-Only Close*			
			Next Cross			
			Regular Hours Cross			
Free/Route Control	Do Not Ship	Midpoint Passive Liquidity	Midpoint Peg Post-only	Partial Post-only at Limit	Midpoint Discretionary	Do Not Route
		Adding Liquidity Only	Supplemental*	Market Maker Peg	Hide Not Slide	Post-only ISO
		Passive Discretionary	Market Maker Peg	BATS Post-only	ROUD	CHX Only
		PNP Cross and Post Order	Price-to-Comply	Modified Destination Specific	ROUE	
		Post No Preference	Price-to-Comply Post		Route Peg	
		Primary Only				
		Primary Sweep Order				
Peg	Pegging Interest Order	Pegged	Market Peg	Market Peg	Market (Reserve) Peg	
	Buy "Minus"		Midpoint Peg	Midpoint Peg	Midpoint Peg	
	Sell "Plus"		Primary Peg	Primary Peg	Primary Peg	
				Market Maker Peg	NBBO Offset Peg	
				Alternate Midpoint Peg		

TABLE 1: Order types vary by exchange – Continued

	NYSE/MKET (Amex)	NYSE Arca	NASDAQ (LLC, PHX & BX)	BATS and BATS BYX	EDGA and EDGX	Chicago (CHX)
Peg	Pegging Interest Order	Pegged	Market Peg	Market Peg	Market (Reserve) Peg	
	Buy "Minus"		Midpoint Peg	Midpoint Peg	Midpoint Peg	
	Sell "Plus"		Primary Peg	Primary Peg	Primary Peg	
				Market Maker Peg	NBBO Offset Peg	
				Alternate Midpoint Peg		
Other Dark/ Anonymous	Midpoint PLO	Discretion Limit Order	Anonymous	Hidden	Discretionary	Cross
	Minimum Display Reserve	Discretionary	Discretionary	Modified Directed ISO	Hidden	Cross With Size
	Minimum Trade Size IOC	IOC Cross Order	Minimum Quantity	Non-Attributable	Midpoint Match	Do Not Display
	Non-Displayed Reserve	Passive Liquidity	Non-Attributable	Non-Displayed		IOC Market
	NYSE IOC	PNP Blind	Non-Displayed			Midpoint Cross
	Passive Liquidity	Tracking Limit Order	Market Hours IOC			
		Midpoint Cross Order	System Hours IOC			
	Sweep Reserve					
	Random Reserve					
	Undisplayed Price					
Automate compliance		NOW			Day Intermarket Sweep	ISO Cross
		ISO for Post Cross Order				Outbound ISO
		ISO IOC				Price-Penetrating ISO
		ISO IOC Cross Order				BBO ISO
		ISO PNP				Cross With Satisfy
						Short Exempt
Other	Auto Ex Order	Cross Order	Attributable*	Attributable		Benchmark
		Inside Limit	Directed	Cancel and Replace		Cancel on Halt
		Market To Limit		Retail Price Improvement		Cross With Yield
	Marketable Limit	Primary After 3:55				Non-Regular Way Cross
	Not Held	Primary Until 9:45	Price-to-Display*			Qualified Contingent Cross
	Retail Modifier		Unpriced			Sell Short
	Retail Price Improvement					
Time to expiry			Good Till Market Close	Extended Day	Good Till Time	Time in Force
			Market Hours Day	Good Till Day		Good Till Date
			Market Hours GTC			
			System Hours Day			
			System Hours Expire Time			
			System Hours GTC			
Source/Info			Order Type guide			
	NYSE, NYSE MKT	ARCA	Routing Strategy guide	BATS	EDGE	
			*Nasdaq only			

Sources: NYSE, NYSE MKT, NASDAQ, ARCA, BATS & EDGE as of September 2014.

What do all these order types do?

As we looked at the list of order types, we realized that there were some similarities across exchanges, and between order types.

A similarity of many complex order types is (ironically) that they simplify other aspects of the market.

Either by reducing message traffic or reducing order handling or helping with fee control and routing.

Grouping order types simplifies the problem

Order types are built with specific features or functions in mind. Most fall into five major categories (although many fit into more than one category):

1. **Common:** Order types like market, limit, fill or kill, IOC and stops are used by most exchanges.
2. **Auction:** Order types for the open and close auctions (or to restart halted stocks) are fairly similar for primary venues.
3. **Regulatory and fee control:** Many of the new order types (post-2006 and highlighted green in Table 1) were developed to deal with Reg NMS.

   Reg NMS, in an effort to ensure all orders were routed to the "best" price displayed in the market, bans locked or crossed markets. It also forces exchanges to route orders away if a better price exists on another venue. This eliminates venue mispricing concerns for investors and venue arbitrage profits for traders.

   However, combined with maker-taker fees, these routing dynamics hurt market makers who would unintentionally pay take fees that were far more than the expected return on their trade. Order types were built that stopped exchanges routing away to venues with higher fees on the same priced trade, as well as those designed to never take liquidity (by posting only and by price sliding).

   Fee control is important to long-term investors, too.

   Take fees are typically absorbed by broker dealers. But if broker dealers can keep exchange fees down and increase rebates, they can pass these benefits to investors via low commission rates.
4. **Simplify order handling:** Peg, reserve and slide order types delegate order amending to exchanges and so simplify routing and order management. They also reduce complexity by reducing message traffic from cancel and replacing.

   Other order types like ISO allow liquidity takers (both Institutional and HFT) to improve fill rates.

5. **Improve shortfall:** A sub-category of order types that seem primarily designed for investors are the dozens of dark order types (highlighted gray in Table 1).

   They include mid-peg and reserve order types, which help large traders avoid posting bids and offers out loud. Many of these orders also execute at prices better than the current best bid or offer.

   Also included are retail specific order types, which allow for price improvement even though they are traded on exchange.

   IOC's also help hide orders because they capture as much liquidity as possible but don't post residuals, which would create a new price level that could increase permanent impact.

What about the rest?

What stands out about the other order types is that what each exchange calls an order type can vary, such as for time-in-force instructions.

Order combinations create more permutations

The way BATS gets from 52 to 2,000 order types is from the possible combinations of one or more order types.

You can also see from the NYSE's order type elimination filing, that some of the list of 15 are just order type "combinations," like market with now or IOC and cross with time-in-force.

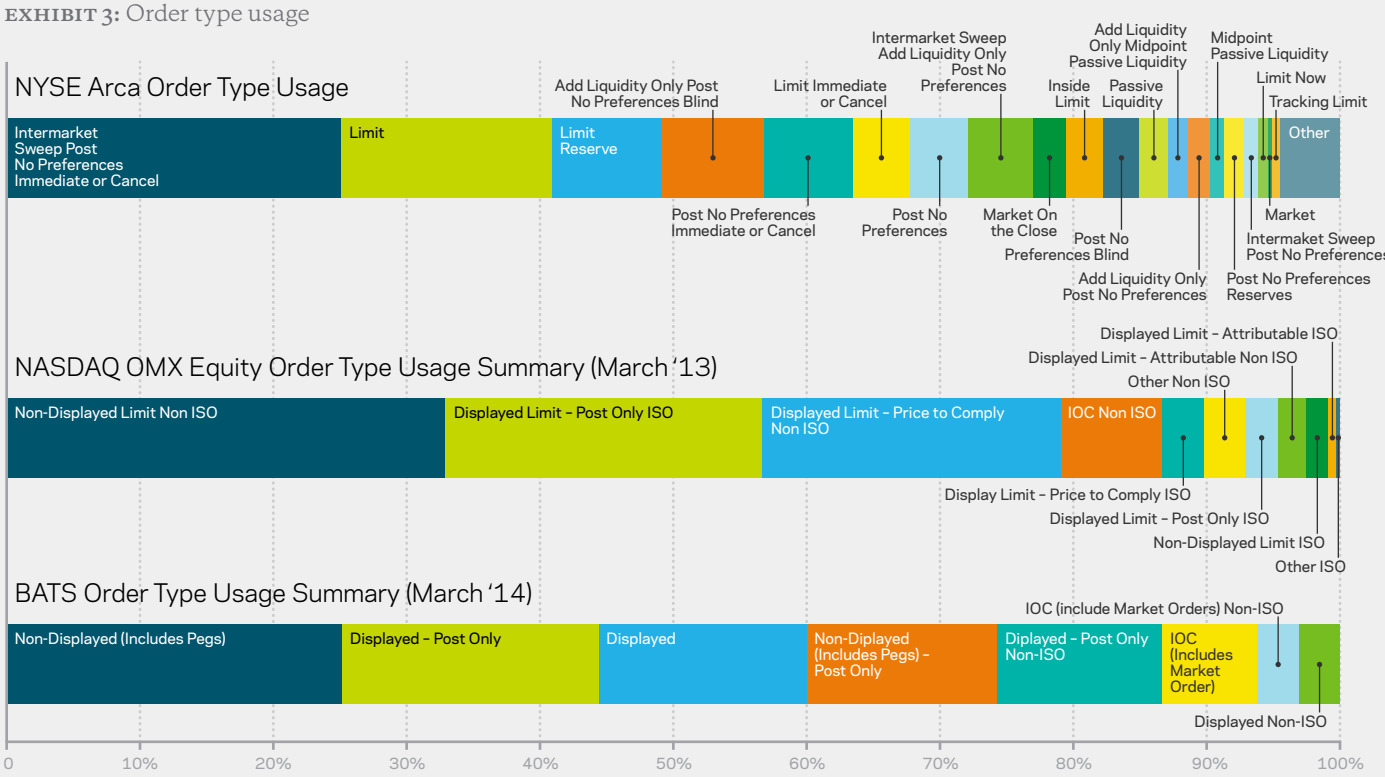
Importantly, the SEC requires that each permutation is tested before approval.

Most orders don't get a lot of use

One of the best arguments for simplification is that many order types hardly get used.

However, some of the most popular order types are also complex order combinations (see Exhibit 3: NYSE ARCA share for ISO PNP IOC and ALO PNP Blind). The fact that the most popular order types

EXHIBIT 3: Order type usage



in each exchange are dark order types also doesn't help exchanges' argument that transparency is important for price discovery.

How many order types do we need?

Is order type proliferation a WMD?

From 2006 to 2014, over 170 order type filings were sent to the SEC. That's even more than the total types we count in Table 1.

However, around 100 of the filings were amendments to existing order types and some were even meant to eliminate existing order types
(see the SEC filing pages).

Amendments still add to market complexity, because they change the way an existing order type works, requiring participants to relearn and modify trading strategies.

Let's talk about simplification...

Demystifying Order Types

Complexity for the sake of complexity is rarely a good thing, as it can add to cost and operational risk. But a simplification of order types is more complex than you think.

Perhaps you think the market should have just a few really simple order types—say we start with market and limit orders.

1. Market orders cause mini crashes

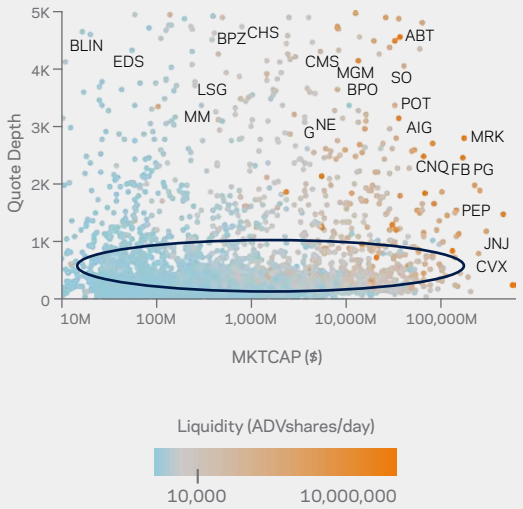
Just because an order type is old and simple doesn't mean it's good. Arguably the "market" order is one of the least suited to today's electronic markets. On the floor, a market buy order had to find a human seller to interact with, and large market orders needed to trade with a single price level at a time.

In modern (electronic) markets, the expectation is that market orders instantly execute with all levels of liquidity. This gives no time for liquidity to backfill or even for the order book to build at higher or lower
price levels.

With the average touch for most stocks around 500 shares (see Exhibit 4), market orders can sweep through the book and "air pockets," where no bids or offers exist, ultimately causing mini flash crashes. Typically this leads to cries that the market is too complex (thank you simple order type)!

Ironically, this is something the NYSE amendment for market orders (that we discussed earlier) was designed to fix. (Did you know that now NYSE market orders trade only with far touch volume and leave residuals posted at the touch?)

EXHIBIT 4: A majority of stocks have less than 500 shares on the bid at any time. Even moderate sized market or ISO orders can take out multiple levels of the book.



Source: KCG Data

2. Limit is better

Modern ISO orders work almost the same way as a market order—but

KCG takes care of this for you.

We receive "market" orders into our algos all the time. However when we route the child orders, we put a limit on each child. Effectively, we are working the order in the electronic markets in much the same way as a floor broker would have in the old days.

they're required to have a limit price. Exchanges have also introduced order types designed to sweep the NBBO but then post residual at the old touch (IOC market, market to limit, unpriced). But these are all complex versions of a simple limit order type.

3. And for your last order type…

If you only had one more pick, what would it be?

- **IOC or fill and kill?**
  An order type that doesn't post residuals, or set a new price level, probably makes sense. It should help investors to manage impact and signaling. But which one? And do you want the ability to ISO that?
- **MOC, LOC, MOO, LOO?**
  We need an auction order type. Indexers prefer MOC orders to make sure they hit their benchmark, but LOC is critical for those who are price sensitive, like market makers.
- **Or maybe a hidden order type?**
  Hidden order types are hardly simple—or good for price discovery—but they're the most popular across all exchanges (see Exhibit 3). That shows that investors need to hide their orders from prying traders, even when they're on lit venues.

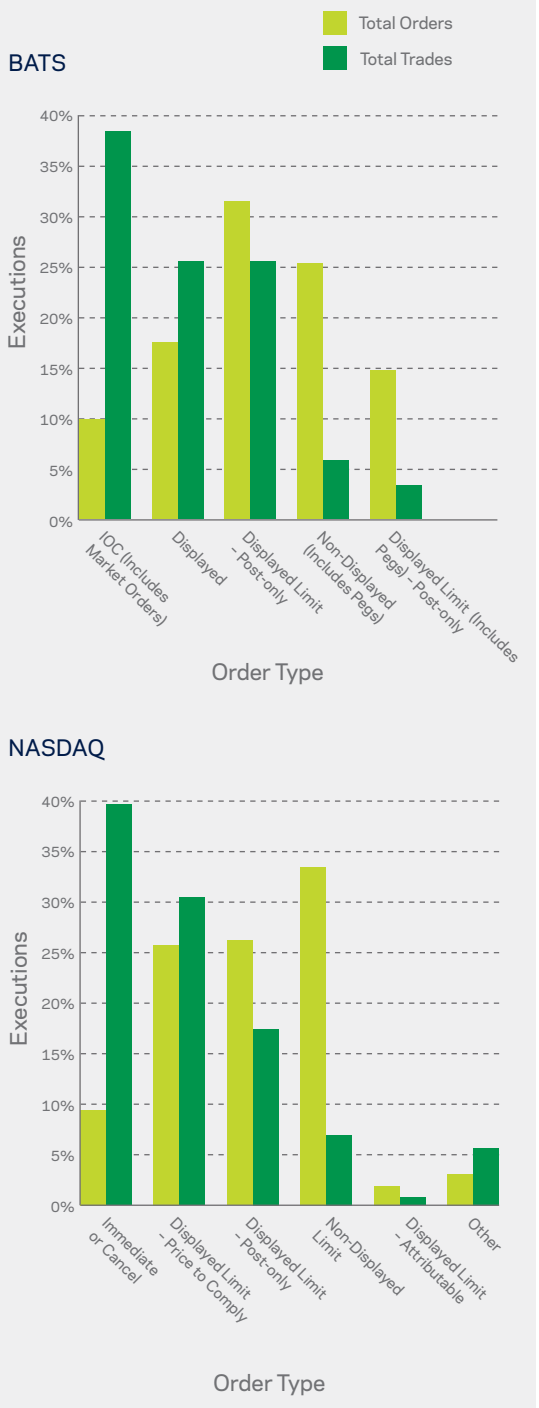
But which would you prefer? Peg touch, peg mid, reserve, minimum display reserve, minimum quantity?

Dark order types don't get a lot of fills

Interestingly, popularity of an order type doesn't translate into a lot of trades. Exchange disclosures show that:

- **IOC and market order types** are *used relatively little*—despite that they are the *bulk of executions.*
- **Dark (non-displayed) order types** are most popular, even though these orders are on exchange—however, they get relatively low execution rates.

EXHIBIT 5: Order type usage vs executions.



Source: BATS, Nasdaq

- **Post-only** *order and trade percentages are pretty consistent.* This may indicate that market makers are mostly getting executions in line with their routing of orders.

Is a modifier an order type?

Quite a few order instructions manage time-in-force or price modification around corporate events. They make orders more complex, but are they order types? The approach seems to differ by exchange. With electronic EMSs, do these order modifiers even need to be the responsibility of an exchange any more?

What about market makers?

Should exchanges make special order types for market makers?

It's easy to say "they should use limit orders like everyone else"—but is that even fair? Not really, if long-term investors get peg and hidden order types for themselves.

The reality is limit order types wouldn't work very well in today's markets, for a number of reasons.

- Market makers need to be at the top of book, with good queue priority, if they're to make any money at all. This makes latency very important to them.
- Liquidity providers also need to earn rebates, not pay take fees. The fee differential for getting this wrong is over 1/2 a cent—typically a multiple of the expected return from spread capture.
- In addition, market makers need to quote in most of the 11 exchanges, to be sure not to miss liquidity.

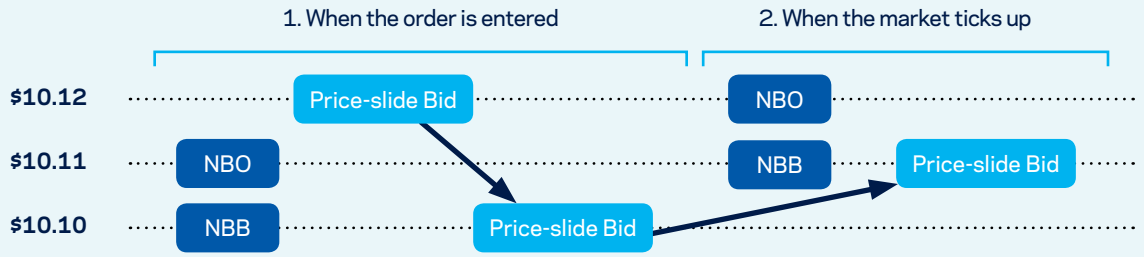
In short, market makers need to route very quickly, at marketable limits, to all 11 venues—which themselves are miles apart—at the same time complying with regulations that ban locked and crossed markets, and prevent accidentally trading with themselves.

This is not easy without a special order type.

Hide not slide: A case study in market structure

How price sliding algorithms work

Price-slide order types automatically slide back to the current near touch—in an effort to comply with Reg NMS and avoid paying take fees. They then float on the touch in an effort to capture spread, much like a pegged order. As the exchange re-prices the order back to its limit price, the order typically gets good queue priority. This result is similar to what a "float" algo does to a human trader trying to capture spread.



BATS has a good example of single exchange price sliding here. Then try to imagine a world where the NBBO (legally) comes from the SIP, but each of the 11 markets receives new bids and offers directly from investors and every investor's order starts a different distance from the SIP and the market. Locked markets are inevitable.

Price-slide order types, because they solve many of the problems market makers face at once, are an interesting way to study interconnections and cross-currents of today's market structure:

1. **A post-only feature to avoid paying maker taker fees.**

   Trading at the touch across 11 markets at once, and always trying to be at the top of the book, from your server in Weehawken (or Carteret), you are likely to route orders that would cross the spread—resulting in take fees, instead of spread capture.

   A post-only component stops orders from trading at the far touch.

2. **Order handling should reduce message spikes.**

   Post-only orders get rejected if they would trade at the far touch. A market maker with direct exchange feeds would typically try again (and again, and again, and again) at least until the NBBO in both the market maker and the exchange fell back into sync. This would create unnecessary spikes in message traffic. This in turn may risk hampering exchange matching engines.

   Instead of rejecting, price-slide order types automatically re-price orders back to the near touch, and post them (or hide them for hide not slide).

3. **Price-slide feature to comply with Reg NMS.**

   Price sliding also helps these orders to comply with Reg NMS bans on locked and crossed markets.

   Orders that would lock or cross the market are re-priced to what the exchange sees as the near touch NBBO.

4. **Pegging feature helps market makers to capture spread, simplify order handling and reduce technology spend.** Once a price-slide order is at the NBBO, it acts like a peg order type. It floats as the NBBO moves back toward the original limit. Studies have shown that it is critical for market makers to be close to the top of the book—so their spread collection isn't overwhelmed by negative selection from large investor trades. Without price sliding, market makers would need to cancel and replace their orders—as fast as possible—to retain priority in the queue. Price-slide orders typically help market makers be near the top of book—reducing the "technology arms race."

Functionally, this is similar to a float algorithm with an upper price limit that is held in the algo and not used in child routes.

Price-slide orders are passive.

The post-only component means they don't cross the spread—ever.

So although they are typically used by market makers (who can also be high frequency traders) they don't suit predatory HFT.

The problem is complex!

Today's markets are undeniably complex. But so are today's cars, planes and the phones in our pockets. That doesn't make them bad. In fact, it gives us a lot of useful features.

It's also why simplifying the market is a complex problem itself.

The interactions of order types with maker taker pricing, Reg NMS, message ratios and exchange innovation make simplifying order types just one piece of a larger puzzle.

Appendix

A	
Adding Liquidity Only (ALO) Order	Limit order that is posted to the NYSE Arca book in order to add liquidity. The order assists users in controlling their costs. Once accepted and placed in the NYSE Arca book, ALO orders will not route to away market centers. They are day only orders, and may not be designated as good till canceled.
Adjustable Stop Order	You can attach one-time adjustments to stop, stop limit, trailing stop and trailing stop limit orders; when you attach an adjusted order, you set a trigger price that triggers a modification of the original order, instead of triggering order transmission.
All or None (AON) Order	Only fill if the entire order quantity can be matched.
Alternate Midpoint Peg Order	Pegs to the less aggressive of the midpoint of the NBBO or 1 tick inside the same side of the NBBO as the order.
Anonymous Order	Orders leverage NASDAQ's anonymous MPID allowing you to be displayed in the marketplace without revealing your MPID.
Attributable Order	Orders that are designated for display (price and size) next to the participant's MPID.
Auction Order	Entered into the electronic trading system during the pre-market opening period for execution at the Calculated Opening Price (COP). If your order is not filled on the open, the order is re-submitted as a limit order with the limit price set to the COP or the best bid/ask after the market opens.
Auto Ex Order	Order in a security that initiates an automatic execution immediately upon entry into Exchange systems.
B	
Basket Order	Create a "basket" of individual securities or commodities orders that can be managed and submitted as a package execution.
BATS Only BOLT Order	Will display unfilled portions of marketable orders through the BATS proprietary data feeds for a limited period of time. This will provide opportunity for additional executions on marketable orders before either cancelling those orders or routing to other markets. BATS only BOLT orders allow up to 500 milliseconds of additional order exposure on the BATS data feeds while routable BOLT orders expose an order to BATS members for up to 25 milliseconds before routing to away markets.
BBO Intermarket Sweep (ISO)	Executes without regard to the NBBO because the firm sending the order has satisfied the protected quotations of other markets. If the order is marked IOC, any unexecuted balance of the order is canceled back to the sender; if the order is not marked IOC, any unexecuted balance of the order is placed in the Matching System.
Benchmark Order	Sends a limit order with a price that equals the current bid or offer.
Best Bid or Offer Order	A strategy that requires the placing of two calendar spreads in opposite directions with the center delivery month common to both spreads.

Appendix - Continued

Bid Order	Order will be sent as a limit order with a price equal to the current NBB.
Butterfly Spread Order	A strategy that requires the placing of two calendar spreads in opposite directions with the center delivery month common to both spreads.
Buy "Minus" Order	Market order to buy a stated amount of a stock provided that the price to be obtained is not higher than the last sale if the last sale was a "minus" or "zero minus" tick, and is not higher than the last sale minus the minimum fractional change in the stock if the last sale was a "plus" or "zero plus" tick. A limited price order to buy "minus" would have the additional restriction of stating the highest price at which it could be executed.
C	
Calendar Spread Order	A strategy that entails buying one delivery month of a contract and simultaneously selling another delivery month of the same contract on the same exchange.
Cancel and Replace Order	Allows users to change price, size and/or side of a working order and change a limit order to a market order.
Cancel on Halt Order	An order that should be automatically canceled by the Matching System if a trading halt is declared on the Exchange in that security.
CHX Only Order	A CHX only order will be assigned a Reg NMS and Reg SHO compliant match price and a Reg NMS and Reg SHO compliant display price by the Matching System; i.e., the order price will "slide" to accommodate the current state of the market. The match price will always be equal to or better than the orders limit price and, once assigned on order receipt, will not change. The display price assigned on receipt will either equal the match price or be one trading increment better than the match price. Subsequent NBBO changes may cause the order's display price to adjust so that it equals the match price. CHX only orders must be fully displayed limit orders. Hidden and reserve orders cannot be designated as CHX only orders.
Closing Offset (CO) Order	Provides liquidity to offset imbalances at the close and executes at the closing price.
Conditional Order	An order that attaches conditions that state that the order will automatically be submitted or canceled only if specified criteria for one or more defined contracts are met.
Cross Order	An order to buy and sell the same security at a specific price that is better than the Exchange's displayed BBO and, where required, equal to or better than the NBBO.
Cross With Satisfy Order	An order designed to provide a participant with an efficient mechanism for clearing out displayed orders in the Matching System that would otherwise have time or price priority and then effecting a cross transaction at that price.
Cross With Size Order	A cross for at least 5,000 shares and for a value of at least $100,000 that is at a price equal to or better than the Exchange's displayed BBO, where size of the cross transaction is one round lot larger than the aggregate size of all interest displayed in the Matching System at that price.

Appendix - Continued

Cross With Yield Order	Like a cross with satisfy, but for use when a participant wants to yield interest in an order to displayed orders that would otherwise have time or price priority, or to all interest in the Matching System.
D	
Day Order	If not executed, canceled at 4:00 pm ET.
Day ISO	Same as a day order, with ISO features.
Deferred Order	Sit in the book until triggered (must be manually triggered before it is sent).
Destination Route Order	Entered at a specified price and is routed to a specified market center/destination. This order always executes against the NSX book first and then routes to the specific destination.
Destination Specific Order	Market or limit orders that are routed by BATS to an away trading center after first being exposed to the BATS order book.
Destination Sweep Order	Will execute against the NSX book first then sweep an away market center. NSX routes this order as an ISO to the specified destination.
Directed Order	Orders sent by order sending firms; designed to interact with quotes and orders entered by MMs.
Discretion Limit Order	Order that is displayed at your specified price, not your discretionary price, along with a share quantity minimum requirement for routing discretionary prices outside the book.
Discretionary Order	Have a working visible price and a non-displayed "discretionary" price (discretionary price is a hidden upward offset, which users are willing to buy, or a hidden downward offset, which users are willing to sell).
Do Not Display Order	An order for at least 1,000 shares when entered that should not be displayed in whole or in part, but that is eligible for execution within the Matching System.
Do Not Increase Order	A limit order to buy or a stop order to sell, which is not to be increased in shares on the ex-date as a result of a stock dividend or stock distribution.
Do Not Reduce Order	A limit order to buy or a stop order to sell, which is not to be reduced by the amount of an ordinary cash dividend on the ex-dividend date.
Do Not Route Order	An order that can be executed or displayed within the Matching System, but cannot be routed elsewhere.
Do Not Ship Order	A limit order that is to be executed in whole or in part by the NYSE only.

Appendix - Continued

Double Play Order	Market or limit order that instructs the system to route the order to a specified away trading center as approved by the exchange from time to time.
E	
Edge Market Close Order	EDGX will pair off matching buy and sell EMC orders received until a published cut-off time, which will be a designated period prior to the cut-off times that NASDAQ and the NYSE have established for the submission of market-on-close orders. EDGX will then route the unmatched portion of any EMC orders that could not be paired on EDGX to the primary listing market as market-on-close orders in advance of their respective cut-off times (i.e., orders in NASDAQ-listed stocks will be routed to NASDAQ and orders in NYSE-listed stocks will be routed to the NYSE). After their respective closing processes are complete, EDGX will execute the paired shares of EMC orders at the official closing prices published by NASDAQ and the NYSE.
Extended Day (GTX) Order	If not executed, canceled at 5:00 pm ET.
F	
Fill and Kill Order	An order to buy or sell that can be filled partially or canceled.
Fill or Kill Order	Market or limit orders that are to be immediately executed in its entirety, or canceled (not routed to other exchanges).
Flash and Cancel Order	A way for professional traders to gain advance knowledge of order flows. The order is displayed for only a fraction of a second on certain exchanges, and thus invisible to most market participants.
G	
Good After Time (GAT) Order	An order that is held in the system and submitted to the market on the date and time that you specify (note: these orders are canceled automatically at the end of business on the last day of the following calendar quarter).
Good Till Canceled (GTC) Order	Remain live until the order is filled/canceled or the option contract expires.
Good Till Date (GTD) Order	Allows you to select an expiration date and time up until which an order will continue to work (note: if you only select a GTD, the unfilled order will cancel at the close of the market on that specified day).
Good Till Day Order	If not executed, canceled at expire time or 5:00 pm ET.
Good Till Delta Order	User may place an order that will expire after a user-specified period of time.

Appendix - Continued

Good Till Market Close Order	Executable between 7:00 am to 8:00 pm; if entered after the closing cross will be treated as IOC; if entered prior to the closing cross any unexecuted orders will be returned to entering party after the cross.
Good Till Time Order	Same as good till date.
H	
Hidden Order	Allows users to hide the limit order on the order book (lower priority than visible orders at same price).
Hide Not Slide Order	An order that is displayed one MPV away from the locking price if an order locks or crosses the market. It allows traders to hide orders that were originally submitted as display-eligible and adjust their price while keeping their place in the order book queue (Direct Edge unique).
I	
Imbalance-Only Close Order	Provides liquidity intended to offset on-close orders during the closing cross. They are the same as imbalance-only open orders, except for the 4:00 pm bid/ask.
Imbalance-Only Open Order	Provides liquidity intended to offset on-open orders during the opening cross. Imbalance-only buy/sell orders only execute at or above/below the 9:30 am offer/bid.
Immediate or Cancel (IOC) Order	Market or limit orders that are immediately executed, in whole or part, with the unexecuted amount canceled (not routed to other exchanges).
Inside Limit Order	Marketable inside limit orders will be matched within the book at the best obtainable price or routed to the market participants at the NBBO. Any residual volume will not be routed to the next price level until all quotes at the current best bid or offer are exhausted. Non-marketable inside limit orders will be posted in the book at the limit price.
Intermarket Sweep Order (ISO)	Designation on an IOC limit order that allows the order to sweep the book without regard to any external quotes.
ISO Cross Order	Any type of cross that is to be handled as an ISO (executed without regard to the NBBO, because the participant sending the order has satisfied the protected quotations of other markets).
ISO for PNP Order	A designation on a PNP limit order that allows the order to sweep the book and post any balance without regard to any external quotes.
ISO IOC Order	A designation on an IOC limit order that allows the order to sweep the book without regard to any external quotes.
Intraday Cross Order	Can include the next cross only, the next cross and all subsequent crosses excluding the post-close cross at 4:30 pm, or the next cross and all subsequent crosses including the post-close cross. Please note: Intraday cross orders do not participate in the opening or closing crosses.

Appendix - Continued

IOC Cross Order	Two-sided order with both a buy and sell component combined that trades at a price specified by the user. An IOC cross will not interact with the book or protected quotes, and will be rejected if order interaction would occur. Orders will never be broken up and will always execute as clean crosses.
IOC Market Order	IOC orders will be executed against any orders at or better than the Exchange's BBO, including any reserve size or other undisplayed orders at or better than that price, with any unexecuted balance to be immediately canceled.
ISO for IOC Cross Order	A designation on an IOC limit order that allows the order to sweep the book without regard to any external quotes.
ISO for Post Cross Order	A designation on a post cross order that allows the order to sweep the book, cross the balance and post the takeout amount without regard to any external quotes.
J	
K	
L	
Limit Order	An order to buy or sell at a specified price or better; ensures that if the order fills, it will not fill at a price less favorable than your limit price, but it does not guarantee a fill.
Limit At the Close Order	Limit order in a security that is entered for execution at the closing auction price of the security on the Exchange provided that the closing price is at or within the specified limit.
Limit If Touched (LIT) Order	An order to buy (or sell) a contract at a specified price or better, below (or above) the market. It is held in the system until the trigger price is touched. It is similar to a stop limit order, except that a LIT sell order is placed above the current market price, and a stop limit sell order is placed below.
Limit IOC Order	Entered at a specified price and seeks immediate execution at that price or better.
Limit NSX only Order	Entered at a specified price seeking execution at that price or better only within NSX.
Limit On the Open Order	Orders that are executable only within the opening auction (balance is canceled if the order is not executed).
Limit Post-only Order	Seeks to be a liquidity provider. It has a specified price and this order will reject upon entry if marketable.
M	
Market Order	An order to buy or sell at the market bid or offer price. A market order may increase the likelihood of a fill and the speed of execution, but unlike the limit order a market order provides no price protection and may fill at a price far lower/higher than the current displayed bid/ask.

Appendix - Continued

Market At (On) the Close Order	Market order in a security that is to be executed in its entirety at the closing price (during closing auction).
Market Hours Day Order	Executable between 9:30 am to 4:00 pm on the day the order is entered.
Market Hours GTC Order	Executable between 9:30 am to 4:00 pm on the day the order was submitted until canceled.
Market Hours IOC Order	9:30 am to 4:00 pm.
Market If Touched Order	Order to buy (or sell) a contract below (or above) the market. It is held in the system until the trigger price is touched, and is then submitted as a market order. It is similar to a stop order, except that a MIT sell order is placed above the current market price, and a stop sell order is placed below.
Market Maker Peg Order	Limit order that, upon entry, the bid or offer is automatically priced by the System at the Designated Percentage away from the then current National Best Bid and National Best Offer, or if no National Best Bid or National Best Offer, at the Designated Percentage away from the last reported sale from the responsible single plan processor in order to comply with the quotation requirements for MMs.
Market NSX only Order	Entered to execute against the opposite side of the NSX market at the best price available, within the NBBO, immediately. This order will not route out.
Market On the Open Order	Orders that are executable only within the opening auction (canceled if it is not executed in the auction).
Market Peg Order	Pegged to the NBBO on the opposite side of the market (must contain an offset to be priced less aggressively than NBO for buy orders and NBB for sell orders).
Market to Limit Order	Submitted as a market order to execute at the current best market price. If the order is only partially filled, the remainder of the order is canceled and re-submitted as a limit order with the limit price equal to the price at which the filled portion of the order was executed.
Marketable Limit Order	Order on the exchange that can be immediately executed; that is, an order to buy priced at or above the exchange best offer or an order to sell priced at or below the exchange best bid.
Midpoint Order	Can buy or sell at the midpoint between the best bid and best offer.
Midpoint Cross Order	This order will execute at the midpoint between the NBBO. If the NBBO is locked at the time this order is received, the order will execute at the locked NBBO, and if the NBBO is crossed when the order is received, the order will automatically be canceled.
Midpoint Discretionary Order	Displayed and pegged to the prevailing NBB (for buy orders) or NBO (for sell orders) with a non-displayed, discretionary range that can extend to the midpoint of the NBBO, depending on the order's limit price. It is used to extend price range to access midpoint liquidity (EDGA only; unique Direct Edge order type).
Midpoint Match Order	A non-displayed order that is executed only at the midpoint of the NBBO. It can be entered as market or limit orders, it is non-routable and has a minimum order size of one round lot (EDGX only).

Appendix – Continued

Midpoint PLO (Passive Liquidity Order)	An undisplayed limit order that will provide price improvement by executing at the mid-point of the protected BBO.
Midpoint Peg Order	Floats at the NBBO midpoint and can be entered as a market order (float at midpoint without a boundary price) or as a limit order (floats at midpoint, but will not execute when the midpoint is outside of the limit price boundary) (EDGA only).
Midpoint Peg Post-only Order	Non-displayed order type that is priced at the Midpoint between the National Best Bid and Offer (NBBO) and only adds liquidity, except when the economics are in the interest of the investor to remove liquidity.
Midpoint-Seeker Order	Undisplayed orders that are pegged to midpoint between the protected best bid or offer in subpennies.
Minimum Display Reserve Order	Limit order with a minimum published amount of 100 shares that replenishes at the minimum or at a different amount set by the user after each execution.
Minimum Life Order	Cannot be canceled by the entering party until 100 milliseconds have elapsed, but the order can be executed before this time expires.
Minimum Quantity Order	Orders are entered for execution with a minimum share quantity.
Minimum Trade Size (MTS) IOC Order	Any IOC order may include a MTS instruction, which Exchange systems will evaluate whether contra-side displayable and non-displayable interest on the Exchange system can meet the MTS and will reject such incoming IOC-MTS order if Exchange contra-side volume cannot meet the MTS.
Modified Destination Specific Order	Market or limit order that instructs the System to route the order to a specified away trading center(s), as approved by the Exchange from time to time, without first exposing the order to the BATS book.
Modified Directed ISO	Order that bypasses the System and is immediately routed by the Exchange as an IOC ISO to an away trading center specified by the user for execution, provided that the away trading center must be displaying a protected quotation, as that term is defined in the Exchange's rules. If the ISO is not executed in its entirety at the away trading center, the modified directed ISO returns to the Exchange as an IOC ISO and any portion not executed at the Exchange will be canceled back to the user.
N	
NBBO Offset Peg Order	Pegged to NBBO for a stock.
Next Cross Order	Eligible for the next intraday cross only. Unexecuted shares are canceled back to the entering party.
Non-Attributable Order	Orders that are entered by a participant that is designated for display (price and size) on an anonymous basis in the order display service of the System.
Non-Displayed Order	Hidden from the marketplace, but all incoming order flow can interact with hidden orders until hidden size is exhausted at the specified price.

Appendix – Continued

Non-Displayed Reserve Order	A limit order with zero published quantity that is not displayed to the designated market makers or in NYSE OpenBook.
Non-Regular Way Cross Order	A cross designated for non-regular way settlement. This order will execute without regard to the NBBO or any other orders in the Matching System and can represent the interest of one or more participants in the Exchange.
Not Held Order	Market or limited price order marked "not held," "disregard tape," "take time," "buy or sell on print," or which beats any such qualifying notation.
NOW Order	Limited price order that is executed in whole or in part that will be routed to one or more NOW recipients (those venues that respond immediately with a fill or a cancel) that are protected quotes for immediate execution if the order cannot be executed on NYSE Arca. Orders are immediately canceled if not executed at the quoted price or better.
NYSE IOC Order	A market or limited price order designated immediate or cancel that will be automatically executed against the displayed quotation up to its full size and sweep the Display Book system, to the extent possible, with portions of the order routed to other markets if necessary in compliance with Reg NMS and the portion not executed will be immediately canceled.
O	
Offer Order	Order will be sent as a limit order with a price equal to the current NBO.
On-Close Order	Specifically request an execution at the closing price; it can be limit on close or market on close.
One Cancels All (OCA) Order	Comprises a group of orders linked by a customer-created title entered in the OCA field for each order. By default, once an order in the group fills, all other linked orders are canceled. If an order is partially filled, the remaining orders will be reduced proportionately to the remaining quantity of the unfilled order. If an order is canceled by the customer before execution, all remaining orders in the OCA group will automatically be canceled, but if one of the orders is rejected or canceled by the system, the remaining order(s) will not automatically be canceled.
On-Open Order	Specifically request an execution at the opening price; it can be limit on open or market on open.
Opening Cross Order	A cross transaction that executes at the opening price; for any exchange other than NASDAQ, the opening price will be the primary market opening price (for NASDAQ, the opening price will be the midpoint of the first unlocked, uncrossed market that occurs on or after 8:30 am).
Order Cancel	Links two orders together so that if one order is filled, the other order automatically cancels.
Order Send	Links two orders together: a trigger order and a dependent order; the fill of the trigger order places the dependent order.

Appendix - Continued

Outbound ISO	Allows an Exchange participant to execute an order on the Exchange without regard to the protected quotations at other markets while simultaneously routing ISOs to those other markets to execute against their protected quotations.
P	
Partial Order	An order that can be filled partly instead of in its entirety.
Partial Post-only At Limit Order	Offers liquidity removal with price improvement while allowing users to designate a maximum remove percentage to allow for removal of liquidity at the limit price.
Passive Discretionary Order	Displayed at your specified price and is not eligible to route. When a bid or offer appears in the book at or within your discretionary price range, it will be executed against the book as long as it does not trade through a protected quote.
Passive Liquidity Order (PLO)	A non-displayed order type that allows participants to provide liquidity to the market place without publicly divulging their trading intentions.
Pegged Order	Order with a price that will track the PBBO, but may also make use of offsets from the same side bid (offer) or offsets from the contra side (peg buy offset from offer).
Pegged to Stock Order	Continually adjusts the option order price by the product of a signed user-defined delta and the change of the option's underlying stock price. The delta is entered as an absolute and assumed to be positive for calls and negative for puts. A buy or sell call order price is determined by adding the delta times a change in an underlying stock price to a specified starting price for the call. To determine the change in price, the stock reference price is subtracted from the current NBBO midpoint. The stock reference price can be defined by the user, or defaults to the NBBO midpoint at the time of the order if no reference price is entered. You may also enter a high/low stock price range, which cancels the order when reached. The delta times the change in stock price will be rounded to the nearest penny in favor of the order.
Pegging Interest Order	Either displayable or non-displayable interest to buy or sell at a price set to track the best protect bid (PBB) or the best protected offer (PBO) (collectively the PBBO) as the PBBO changes.
Post ISO Order	Will post to the NSX book regardless of the PBBO. These orders can be marked as post-only or NSX only. They are eligible to be canceled or cancel/replaced. A "post-only" post ISO will reject if marketable at NSX upon entry. A "NSX only" will execute if marketable within the NSX upon entry.
Post No Preference (PNP)	Limit order to buy or sell that is to be executed in whole or in part on NYSE Arca. The portion not executed is posted in the book without routing any portion of the order to another market center.
Post No Preference (PNP) Blind Order	Undisplayed limit order priced at or through the PBBO, with a tradable price set at the contra side of the PBBO. When the PBBO moves away from the price of the PNP B and the prices continue to overlap, the limit price of the PNP B will remain undisplayed and its tradable price will be adjusted to the contra side of the PBBO. When the PBBO moves away from the price of the PNP B and the prices no longer overlap, the PNP B shall convert to a displayed PNP limit order.

Appendix - Continued

Post No Preference (PNP)+ Complex Order	Guarantee the sender price improvement over the screen markets.
Post No Preference (PNP)	Cross and post order: cross order to buy or sell that is to be executed in whole or in part on NYSE Arca. Any residual share balance that has been broken up and not crossed initially is immediately posted in the book without routing any portion of the order to another market center.
Post-only Order	Allows users to make a market and specify not to remove liquidity unless adequate price improvement is accessible.
Post-only ISO Order	A type of ISO order that will be immediately canceled without execution if it is marketable against a contra-side order in the Matching System when entered. If a post-only ISO is not immediately canceled as described in the previous sentence, it will be posted on the Exchange at the entered limit price. By entering a post-only ISO, a participant represents that such participant has simultaneously routed one or more additional limit orders marked "ISO," as necessary, to away markets to execute against the full displayed size of any protected quotation for the security with a price that is superior or equal to the limit price of the post-only ISO entered in the Matching System. Consequently, a post-only ISO order will be quoted by the Exchange regardless of whether it will lock or cross another market center's quote.
Price-Penetrating ISO Order	An ISO that can execute against any eligible orders in the Matching System, through multiple price points.
Price-to-Comply Order	Complies with the Reg NMS Order Protection Rule and Locked and Crossed market rule by re-pricing and converting into a non-displayed order. Buy orders will be priced at the inside offer and sell orders will be priced at the inside bid. If the market moves, the order will be re-priced to the new inside. In addition, if the market moves such that the display of the original entered price would not result in a locked market, the order will be displayed at its original entered price.
Price-to-Comply Post Order	Orders that, if, at the time of entry, a price-to-comply post order would create a violation of Rule 610(d) of Reg NMS under the Act by locking or crossing the protected quotation of an external market or would cause a violation of Rule 611 of Reg NMS under the Act, the order will be re-priced and displayed by the System to one minimum price increment (i.e., $0.01 or $0.0001) below the current low offer (for bids) or to one penny above the current best bid (for offers). Price-to-comply post orders will not be routed outside of the System.
Price-to-Display Order	Used by market makers to post displayed orders in their own MPID on the book.
Primary After 3:55 Order	Allows users to submit an order to the NYSE Arca book where it will remain until 3:55 pm ET. If the order remains unexecuted at 3:55 pm ET the order will then be canceled from the NYSE Arca book and routed to the primary listing market for execution.
Primary Only Order	Market order that is to be routed as a market-on-open order to the primary market for participation in the primary market opening or re-opening process. A PO entered after the primary market opens is processed as a normal market order.

Appendix - Continued

Primary Peg Order	Pegged to the NBBO on the same side of the market and track NBBO/move as the NBBO moves (buy orders are pegged to bid, sell orders pegged to offer).
Primary Sweep Order	A market or limit order that sweeps the NYSE Arca book and routes any remaining balance to the primary listing market. All orders with PSO designation should be marketable, and non-marketable orders will function as regular limit orders.
Primary Until 9:45 Order	Allows users to route orders directly to the primary listing market for the first fifteen minutes of the trading day. It is canceled from the primary market if it is not executed by 9:45 am ET, and a new order will be entered in the NYSE Arca book with a new time priority).
Q	
Qualified Contingent Cross Order	Comprised of an order to buy/sell at least 1,000 contracts that is identified as being part of a qualified contingent trade, where one component is an NMS Stock and the execution of one component is contingent upon the execution of all other components at or near the same time, with the transaction being fully hedged, coupled with a contra-side order to buy or sell an equal number of contracts and all components.
R	
Random Reserve	A reserve order that will have a random reserve value (as expressed in share quantity), which, as a range of round lots, will vary the displayed size of the reserve order. A random reserve value set to zero will permit the displayed size of the reserve order to vary within 20% of the original specified displayed size.
Random Reserve Order	Vary the display size on a reserve order.
Recurring Order	Users may place an order that will cancel and then replace a live order every 4 minutes and 30 seconds (only available on routes that support the expiration type).
Regular Hours Cross Order	Eligible to participate in all intraday crosses. Any remaining shares after a cross are eligible for subsequent intraday crosses but not eligible for opening/closing/post-close crosses.
Reserve Order	Limit order with a portion of the size displayed and with a reserve portion of the size that is not displayed.
Retail Modifier Order	An order designated with a "retail" modifier is an agency order or a riskless principal order that meets the criteria of FINRA Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a member organization, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology.
Retail Price Improvement	Non-displayed limit order that is better priced than the protected best bid/offer (PBBO) and provides price improvement only on incoming retail take order flow.
ROUD/ROUE Order	Routing strategy that provides efficient access to liquidity by simultaneously accessing liquidity from the displayed markets before routing to select markets if the order is not filled by the originating exchange.
Route Peg Order	A non-displayed pegged limit order that interacts only with orders being routed to another destination.

Appendix - Continued

S	
Scale Order	Helps to ensure that larger sized trades, including combinations, are not subject to increasingly deteriorating prices. ScaleTrader uses price and size determinants that you specify to automatically scale your large volume order into smaller, incrementally-priced components, and submits them as limit orders.
Sell "Plus" Order	Market order to sell a stated amount of a stock provided that the price to be obtained is not lower than the last sale if the sale was a "plus" or "zero plus" tick, and is not lower than the last sale plus the minimum fractional change in the stock if the last sale was a "minus" or "zero minus" tick. A limited price order to sell "plus" would have the additional restriction of stating the lowest price at which it could be executed.
Sell Short Order	Allows a trader to profit from a stock's decline. In a short sale, a trader borrows shares of stock that he does not own from his broker and sells them right away. The amount he owes to the broker is determined by the number of shares sold short, not the sales price. When the stock declines, the trader buys back the same number of shares he/she previously sold short and returns them to the broker.
Short Order	Borrowing a security from a broker and selling it, with the understanding that it must later be bought back and returned to the broker.
Short Exempt Order	A short sale order in which the uptick rule does not apply to the trade. The trade can go through on a downward move in price, where a traditional short order trade has to be done on an uptick (upward move in price).
Stop Order	Becomes an active buy or sell market order if and when the stop trigger price is reached.
Stop Limit Order	Becomes an active buy or sell limit order when the stop trigger price is reached. When a trade has occurred at or through the stop price, the order becomes executable and enters the market as a limit order, which is an order to buy or sell at a specified price or better.
Stop Market Order	You can decide a specific price at which you want your order to be triggered; it then turns into a market order and is executed at the market price.
Supplemental Order	Post-only order type that is non-displayed and restricted to interacting with routable orders. It provides a final chance for routable orders to execute on NASDAQ before being routed away, and an opportunity for liquidity providers to interact with attractive order flow (only available on NASDAQ).
Sweep and Cancel Order	Sweeps the NSX book and all the protected market centers, up to the order quantity and limit price. Any residual shares will be canceled.
Sweep and Post Order	Sweeps the NSX book and all the protected market centers, up to the order quantity and limit price. Any residual shares will be posted in the NSX book at the order price.

Appendix - Continued

Sweep Reserve	A limit order with a portion of size displayed with a reserve portion of the size that is not displayed that if marketable against an away market will be routed serially as component orders, such that each component corresponds to the displayed size, or only once in its entirety, including both the displayed and reserve portions.
System Hours Day Order	Executable between 7:00 am to 8:00 pm on the day the order is entered.
System Hours Expire Time Order	If not executable upon entry any unexecuted shares shall remain available for execution for the amount of time specified by the entering party.
System Hours GTC Order	Executable between 7:00 am to 8:00 pm on the day the order was submitted until canceled.
System Hours IOC Order	7:00 am to 8:00 pm.
T	
Time-In-Force Order	An order that is eligible for execution within a specified time period, with any unexecuted balance to be immediately canceled when this period expires.
TOP Order	The TOP price allows you to join the top of the book quote for the symbol you are trading. With TOP orders, buys are sent as limit orders at the current NBB, and sells are sent as limit orders at the current NBO.
Tracking Limit Order	An undisplayed, priced round lot that is eligible for execution in the tracking order process against orders equal to or less than the aggregate size of the order if interest is available at that price. Orders may be entered at any price. Orders will only execute at the NBBO. Incoming ISO orders will not interact with tracking orders.
Trailing Limit If Touched Order	Entered on the same side of the market as a limit order. This order will initially be set at a price level that is favorable to the current market. As the market moves away from the initial trigger price, the user-defined trailing amount and limit offset amount will adjust the trigger price and the limit price to follow the market. If the initial market movement is in a favorable direction and reaches the initial trigger price, the order will be triggered and submitted as a limit order. If the market moves in an unfavorable direction, the order will trail the market movement and will trigger only if there is retracement by the defined trailing amount (for falling markets, retracement is when the market declines followed by an increase to levels previously traded; for rising markets, retracement is when the market rises followed by a decrease to levels previously traded).
Trailing Market If Touched Order	Entered on the same side of the market as a limit order. This order will initially be set at a price level that is favorable to the current market. As the market moves away from the initial trigger price, the user-defined trailing amount will adjust the trigger price to follow the market. If the initial market movement is in a favorable direction and reaches the initial trigger price, the order will be triggered and submitted as a market order for execution. If the market moves in an unfavorable direction, the order will trail the market movement and will trigger only if there is retracement by the defined trailing amount.

Appendix - Continued

Trailing Stop Order	"Sell" trailing stop order sets the stop price at a fixed amount below the market price with an attached "trailing" amount. As the market price rises, the stop price rises by the trail amount, but if the stock price falls, the stop loss price doesn't change, and a market order is submitted when the stop price is hit. This technique is designed to allow an investor to specify a limit on the maximum possible loss, without setting a limit on the maximum possible gain. "Buy" trailing stop orders are the mirror image of "Sell" trailing stop orders, and are most appropriate for use in falling markets.
Trailing Stop Limit Order	Designed to allow an investor to specify a limit on the maximum possible loss, without setting a limit on the maximum possible gain. A "Sell" trailing stop limit moves with the market price, and continually recalculates the stop trigger price at a fixed amount below the market price, based on the user-defined "trailing" amount. The limit order price is also continually recalculated based on the limit offset. As the market price rises, both the stop price and the limit price rise by the trail amount and limit offset respectively, but if the stock price falls, the stop price remains unchanged, and when the stop price is hit a limit order is submitted at the last calculated limit price. A "Buy" trailing stop limit order is the mirror image of a "Sell" trailing stop limit, and is generally used in falling markets.
U	
Unpriced Order	Any order types permitted by the System to buy or sell shares of a security at the national best bid (best offer) ("NBBO") at the time when the order reaches the System.
V	
W	
WAIT Order	Order modifier that will allow a firm interested in facilitating their customer orders to enter both an agency order and a facilitation WAIT order at the same price.
X	
Y	
Z	
Zero Display NSX only Order	Entered with a valid order quantity and a display quantity of zero. They only participate on the NSX Blade and are not routed.
Zero Display Pegged Order	Has display quantity of zero and is priced based on the pegging instructions.
Zero Display Post-only Order	Entered with a valid order quantity and a display quantity of zero. They can be marketable upon entry, and only execute on the NSX Blade as liquidity providers.

Demystifying Order Types