

Title: Citadel's Rule 605/606 Statements Unmasked. I'm hoping this can help us start locating exactly in what quantities and to what locations orders are being routed. Can this shed some light into the darkness? You decide.

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Url: /r/Superstonk/comments/th0ws5/citadels_rule_605606_statements_unmasked_im/

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Alright so here's what I've been researching this morning and where I'm currently stuck at.

[According to Investopedia](https://www.investopedia.com/terms/p/paymentoforderflow.asp) all brokers are required by law to report all of their PFOF info and where they are routing our orders to.

<https://preview.redd.it/3opd3io345o81.jpg?width=613&format=jpg&auto=webp&s=918c9813274a11d33b3ed61acf502dbb9060bc82>

[Also here is the 334 page SEC Disclosure of Order Handling Information](https://www.sec.gov/rules/final/2018/34-84528.pdf) mentioned in the last bit in the above image made in 2018.

Now - This is due to SEC rule [Rule 11Ac1-5](https://www.sec.gov/rules/final/34-43590.htm) which has this very interesting line in the summary that says broker-dealers are literally required by law to tell us where our individual orders were routed. Not just PFOF orders - but all orders.

[I'm sorry what?](https://preview.redd.it/0ei6on8545o81.png?width=523&format=png&auto=webp&s=18a1052a969dc35a62ab8730595011b9229d6f20)

Am I reading this correctly? Every single time we place an order with ANY broker, they are required by law to tell us where that order is being routed to? Not just PFOF orders - ALL ORDERS. So if we wanted to make sure we were actually receiving the "best possible prices" we can verify this?

So in theory - if my order is going to my broker who is using Citadel as a - MARKET MAKER - they are legally obligated to report where each and every singular share is routed to. Right?

So I got to thinking, why not just look up this Rule 605 / 606 disclosure from Citadel? It was actually really easy to find via a quick google search.

Here is their monthly [Rule 605 and 606 Statements.](https://www.citadelsecurities.com/rule-605-606-statements/) The problem however is how these crooks format these statements.

They are completely unreadable to anyone who doesn't understand their formatting rules. It's done like this on purpose so we can't go through the data easily. It's just a bunch of numbers broken down by ticker followed by a bunch of numbers between line breaks.

Helpful hint on navigating these - just Control+F and type in the ticker you're curious about.

As an example - here is GME & BBBY for January 2022

[Citadel's January 2022 GME 605/606 Statement](https://preview.redd.it/os4j12cn45o81.png?width=1023&format=png&auto=webp&s=44cfd3bfd64094fd08ec6df1294bad159051156c)

[Citadel's January 2022 BBBY 605/606 Statement](https://preview.redd.it/o501y6vp45o81.png?width=1117&format=png&auto=webp&s=da9e10269d6dd363a6dae732df1ec7cc8ab5871f)

See - this info is completely useless...

So I thought - alright, lets sort these things out in a spreadsheet so they're easier to read and organize - but of course they aren't even able to be sorted because of how these guys input them with no spaces and line breaks instead to make it difficult. Nothing is labeled - it's just raw data.

Example:

[asshats](<https://preview.redd.it/qd2jp7ot45o81.png?width=853&format=png&auto=webp&s=3505384ec5074de005ff32483fb86e88e4fa1b24>)

So I used a little bit of sheets wizardry and voila - now we have this nice clean google sheet - which I [have made public for you all](https://docs.google.com/spreadsheets/d/11KaorBH5-Ly_oh-E9iyeVVA3TUNVj5L1Q0tNAV56BQc/edit?usp=sharing) to view/download at your convenience.

It goes from Dec. 2020 - Jan. 22

[Like Magic~](<https://preview.redd.it/0e8ldy7v45o81.png?width=1470&format=png&auto=webp&s=857223fee22395fda9ffa7301aaf056bfc184fe5>)

All of the numbers on these sheets represent something.. Shares, dollars, brokers, dark pools, ftds, etc. It's our job to figure it out. This is where I'm stuck.

The most interesting column to me is "Column Q" which shows certain values in positives and certain values in negatives. I'm wondering if that might actually be their profit/loss or how much above/below the NBB it is - etc.

[Column Q](<https://preview.redd.it/hr9rj8d285o81.png?width=104&format=png&auto=webp&s=d20dd109c5770ac61be1deb574916095aace2f91>)

This data needs to be compared and shared with our collective intelligence to make sense of it.

In fact I even made a full tutorial on how you can do this yourself. It's all of 2 minutes long (super simple) Just in case you want to test this out on any other tickers, go back further than I did, or just look through Citadel's numbers - it's quite easy and done in just a few short steps.

[Go to my Tutorial Here](<https://youtu.be/RUhE7DtIjXw>) \- Note - the video is set to unlisted on my YT channel so unless you have the link or visit it from here it wont show up on my playlist. It's for us, not the world.

****So what now? Why post all this?****

Well - we know that we're all the best detectives on the planet. I figured giving the masses access to this data would help us start to figure this out in order to send something to the SEC or DOJ.

It's all numbers and our brokers are legally required to tell us exactly where the shares being bought and sold are being routed to. I'm hoping this will help shed some light into the dark pools.

I hope I've found something useful and new but if not sorry for wasting your time.

Cheers Apes. Happy Friday

UPDATE CREDIT TO u/etoshOE for finding the answer to the columns values!

Answer - [https://old.reddit.com/r/Superstonk/comments/th0ws5/citadels_rule_605606_statements_unmasked_im/i15n9uy/](https://old.reddit.com/r/Superstonk/comments/th0ws5/citadels_rule_605606_statements_unmasked_im/i15n9uy/)

\>! On Citadel's page they link the SEC FAQ

Question 1 on the FAQ:

>A description of each of the fields may be found in paragraphs (a)(1) through (a)(26) of Section VI of the Joint-SRO Plan.

So I searched Joint-SRO Plan which can be found here: <https://www.sec.gov/interps/legal/slbim12rappxa.htm>

And here are all the items from 1 to 26, problem solved mate ;)

VI. File Structure

(a) Order and Format of Fields

****Column A**** (1) The first field in a file shall be the code identifying the Participant that is acting as Designated Participant for the market center under Section VIII of the Plan. The Participant identification codes are as follows: Amex - "A"; BSE - "B"; CHX - "M"; CSE - "C"; NASD - "T"; NYSE - "N"; PCX - "P"; Phlx - "X".

****Column B**** (2) The next field in a file shall be the code identifying the market center, as assigned by a Designated Participant pursuant to Section VIII of the Plan.

****Column C**** (3) The next field in a file shall be the six-digit code identifying the date of the calendar month of trading for the market center report contained in the file ("yyyymm").

****Column D**** (4) The next field in a file shall be the symbol assigned to an individual security under the national market system plan pursuant to which the consolidated best bid and offer for such security are disseminated on a current and continuous basis.

****Column E**** (5) The next field in a file shall be the code for the one of the five types of order by which the Rule requires a market center to categorize its report. The order type codes are as follows: market orders - "11"; marketable limit orders - "12"; inside-the-quote limit orders - "13"; at-the-quote limit orders - "14"; near-the-quote limit orders - "15".

****Column F**** (6) The next field in a file shall be the code for one of the four order size buckets by which the Rule requires a market center to categorize its report. The order size codes are as follows: 100-499 shares - "21"; 500-1999 shares - "22"; 2000-4999 shares - "23"; 5000 or more shares - "24".

****Column G**** (7) The next field in a file shall be the number of covered orders, as specified in paragraph (b)(1)(i)(A) of the Rule.

****Column H**** (8) The next field in a file shall be the cumulative number of shares of covered orders, as specified in paragraph (b)(1)(i)(B) of the Rule.

****Column I**** (9) The next field in a file shall be the cumulative number of shares of covered orders cancelled prior to execution, as specified in paragraph (b)(1)(i)(C) of the Rule.

****Column J**** (10) The next field in a file shall be the cumulative number of shares of covered orders executed at the receiving market center, as specified in paragraph (b)(1)(i)(D) of the Rule.

****Column K**** (11) The next field in a file shall be the cumulative number of shares of covered orders executed at any other venue, as specified in paragraph (b)(1)(i)(E) of the Rule.

****Column L**** (12) The next field in a file shall be the cumulative number of shares of covered orders executed from 0 to 9 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(F) of the Rule.

****Column M**** (13) The next field in a file shall be the cumulative number of shares of covered orders executed from 10 to 29 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(G) of the Rule.

****Column N**** (14) The next field in a file shall be the cumulative number of shares of covered orders executed from 30 to 59 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(H) of the Rule.

****Column O**** (15) The next field in a file shall be the cumulative number of shares of covered orders executed from 60 to 299 seconds after the time of order receipt, as specified in paragraph (b)(1)(i)(I) of the Rule.

****Column P**** (16) The next field in a file shall be the cumulative number of shares of covered orders executed from 5 minutes to 30 minutes after the time of order receipt, as specified in paragraph (b)(1)(i)(J) of the Rule.

****Column Q**** (17) The next field in a file shall be the average realized spread for executions of covered orders, as specified in paragraph (b)(1)(i)(K) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

****Column R**** (18) The next field in a file shall be the average effective spread for executions of covered orders, as specified in paragraph (b)(1)(ii)(A) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

****Column S**** (19) The next field in a file shall be the cumulative number of shares of covered orders executed with price improvement, as specified in paragraph (b)(1)(ii)(B) of the Rule.

****Column T**** (20) The next field in a file shall be, for shares executed with price improvement, the share-weighted average amount per share that prices were improved, as specified in paragraph (b)(1)(ii)(C) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

****Column U**** (21) The next field in a file shall be, for shares executed with price improvement, the share-weighted average period from the time of order receipt to the time of order execution, as specified in paragraph (b)(1)(ii)(D) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place.

****Column V**** (22) The next field in a file shall be the cumulative number of shares of covered orders executed at the quote, as specified in paragraph (b)(1)(ii)(E) of the Rule.

****Column W**** (23) The next field in a file shall be, for shares executed at the quote, the share-weighted average period of time from the time of order receipt to the time of order execution, as specified in paragraph (b)(1)(ii)(F) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place.

****Column X**** (24) The next field in a file shall be the cumulative number of shares of covered orders executed outside the quote, as specified in paragraph (b)(1)(ii)(G) of the Rule.

****Column Y**** (25) The next field in a file shall be, for shares executed outside the quote, the share-weighted average amount per share that prices were outside the quote, as specified in paragraph (b)(1)(ii)(H) of the Rule. The amount shall be expressed in dollars and carried out to four decimal places.

****Column Z**** (26) The next field in a file shall be, for shares executed outside the quote, the share-weighted average period of time from the time of order receipt to the time of order execution, as

specified in paragraph (b)(1)(ii)(I) of the Rule. The period shall be expressed in number of seconds and carried out to one decimal place. !<

Citadel's 605/606 shows exclusively T, NASD is the National Association of Securities Dealers which is the predecessor to FINRA

NASD is literally FINRA