

Frequently Asked Questions *PSX Participants*

Last Updated: March 12, 2013

As announced in [Equity Trader Alert #2013-23](#), NASDAQ OMX[®] is redefining its third U.S. equity trading platform, NASDAQ OMX PSXSM (PSXSM), in Q2 2013 with a new execution model, improved technology and competitive pricing. PSX operates as part of the NASDAQ OMX PHLXSM (PHLX[®]) Self Regulatory Organization (SRO).

Why would I need to become a member of the PHLX SRO?

Broker-dealers that want to operate on PSX must register as PHLX members in order to access PSX trading systems and other services.

How do I become a PSX participant?

If your firm is currently a PHLX member, no further membership steps are required. It is advised that your firm submit the [PSX Request Form](#) to the [NASDAQ OMX Membership Department](#) to confirm its PHLX membership status and MPID prior to requesting connectivity to PSX.

If you are not a PHLX member, you must complete the PHLX [membership application process](#), regardless of whether you are a member of another NASDAQ OMX exchange.

Do I need to complete a NASDAQ OMX Services Agreement?

Firms are advised to complete a [NASDAQ OMX U.S. Services Agreement](#) if you have not already completed one for another NASDAQ OMX exchange or service. Firms are not required to execute a new one if we already have one on file.

Do I need to be a member of FINRA to trade on PSX?

No, being a member of FINRA is not required in order to trade on PSX.

Can firms use the same MPID to trade on PSX as they use for NASDAQ and FINRA?

Yes. As long as a firm becomes a member of PSX, NASDAQ or FINRA members who already have an MPID may use the same MPID to trade on PSX. Please note there is no MPID attribution on PSX.

My firm is a new broker-dealer. How can I apply to become member of another NASDAQ OMX exchange and also become a PHLX member?

The firm can apply simultaneously for membership with more than one SRO. Although the application process differs, applications may be processed at the same time.

Where in WebCRD should my firm denote all required registrations pursuant to PHLX Rule 604 (g) and (h)?

As PSX operates as a facility under the PHLX SRO, all required registrations pursuant to PHLX Rule 604 (g) and (h) should be submitted within WebCRD under the PHLX SRO box. There is not a separate box for PSX in WebCRD.

How do I submit membership application materials?

Application forms are available [online](#). You may submit your completed materials in one of the following ways:

- Email: membership@nasdaqomx.com

- U.S. Mail: NASDAQ OMX Membership Services
1900 Market Street, 8th Floor
Philadelphia, PA 19103-3584
- Fax: +1 215 496 5399

What happens after a firm submits a new Membership Application?

The NASDAQ OMX Membership Department will review the application materials submitted and contact the Applicant via email to confirm receipt and, if necessary, request any further information that may be required to render its decision.

How long will the membership process take?

The membership process takes approximately three weeks from the time a completed application is received by NASDAQ OMX to the time the Membership Department sends its approval letter to the firm. It is important to note that this time estimate is based on receipt of a properly completed application.

Who is authorized to sign membership documents and the NASDAQ OMX U.S. Services Agreement on behalf of my firm?

Any person authorized to execute agreements on behalf of the firm can sign membership documents. However, the NASDAQ OMX U.S. Services Agreement must be signed by an authorized officer of the firm.

How can I check on the status of my firm's application?

To check on the status of an application, send an email to membership@nasdaqomx.com.

How will I know when my firm's membership application has been approved?

The NASDAQ OMX Membership Department will send written notification of its decision. Upon approval, the Department will update the firm's status on CRD to "approved".

Can a firm be rejected for membership?

Yes. [PHLX Rule 901](#) outlines the grounds for denial of membership.

If a firm is denied membership, can it appeal? And if so, how long does the appeal process take?

Yes. A firm can appeal in accordance with procedures found in [PHLX By-Law Article XI Section 11-1 \(c\)](#).

When my firm becomes a PHLX member, what impact will this have on my firm's registered representatives?

When a firm registers as a PHLX member, certain categories of registered persons at that firm must also be registered in CRD as meeting PHLX registration status.

- Series 4 (Options Principal)
- Series 7 (General Securities Representative)
- Series 9/10 (General Securities Sales Supervisor)
- Series 17 (UK – Limited General Securities Registered Representative)
- Series 27 (Financial and Operations Principal)
- ME – Member Exchange

Firms that are approved and register as PHLX members will be required to amend their Form BD and submit U4s for each registered representative in the above categories in CRD.



My firm will be a clearing house for PSX members, what do I need to do?

Your firm will need to complete the Depository Trust & Clearing Corporation (DTCC) *RIO Add Participant Form*. To obtain this form, please email OPS@nasdaqomx.com. Once completed, return this form to NASDAQ OMX via [email](#) or fax it to +1 212 231 5426. NASDAQ OMX will process this form along with the required exchange letter to DTCC. You will be notified by NASDAQ OMX when the paperwork is in place at DTCC. Feel free to contact Vincent DiVito at +1 212 401 8711 with any questions regarding PSX clearing.