

**TRACE<sup>SM</sup>**

**Trade Reporting and Compliance Engine<sup>SM</sup>**

**User Guide**

**Version 1.05**



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## Changes From Version 1.4

The following is a brief summary of the changes made to the TRACE User Guide since the previous version:

- Reporting time frame changes
  - Effective October 1, 2003, transactions reports must be submitted within 45 minutes of the time of execution.
  - Effective October 20, 2003, “high” vs. “low” priority reports are discontinued, with new time frames set for the resubmission of all rejected reports.
- System changes
  - Two levels of browser service
    - Level I – Reporting and data retrieval
    - Level II – Reporting and data retrieval plus real-time Time & Sales data for disseminated issues
  - Trade Report Data function now retrieves a total of 10 individual days’ activity
  - Yield calculation for continuously callable bonds assumes that the call notice is issued T+1 or later, consistent with MSRB methodology
  - Closing Price Downloads
- How to report bonds with non-standard par values, additional guidance
  - Reporting of quantity for bonds with par values greater than \$1,000
  - Reporting of quantity for pro-rata sinking fund bonds with factors
  - Handling of GMAC 0s due 12/1/2012 and 6/15/2015
- General guidance
  - Clarification of what yield to report
  - WI and Regular Way Status trades: one CUSIP has two reporting symbols
  - What is the Difference Between a Give-Up and a Step-out?

# Chapter 1: Introduction

## Overview

On January 23, 2001, the Securities and Exchange Commission ("SEC") approved proposed rules requiring NASD® members to report over-the-counter ("OTC") secondary market transactions in eligible fixed income securities to NASD and subject certain transaction reports to dissemination. The Trade Reporting and Compliance Engine ("TRACE<sup>SM</sup>") is the NASD-developed vehicle that facilitates this mandatory reporting and also provides increased price transparency on an immediate basis to market participants/investors in corporate bonds. The rules, referred to as the "TRACE Rules," are contained in the new Rule 6200 Series.

## ***Transactions/Securities Subject to Mandatory Trade Reporting***

- Fixed income transactions that must be reported under the new TRACE Rules are those OTC secondary market transactions involving a "TRACE-eligible security";
- The term "TRACE-eligible security" means all United States dollar denominated debt securities that are depository-eligible securities; Investment Grade and Non-Investment Grade (as defined in the TRACE Rules); issued by United States and/or foreign private corporations; and: (1) registered with the SEC; or (2) issued pursuant to Section 4(2) of the Securities Act of 1933 (Securities Act) and purchased or sold pursuant to Rule 144A under the Securities Act;
- The term "TRACE-eligible security" specifically excludes debt securities that are not depository-eligible; sovereign debt; development bank debt; mortgage- or asset-backed securities, collateralized mortgage obligations, and money market instruments.

Eligible Security Types Include:

- Investment-grade debt, including Rule 144A/DTCC eligible.
- High-yield and unrated debt of U.S. companies and foreign private companies, including PORTAL-designated debt.
- Medium-term notes
- Convertible debt and other equity-linked corporate debt
- Capital trust securities
- Equipment trust securities
- Floating rate notes
- Global bonds issued by U.S. companies and foreign private companies
- Risk-linked debt securities (e.g. "catastrophe bonds")

## ***Reporting Party Obligations***

NASD members are obligated to report both sides of every transaction in eligible corporate bonds. TRACE will accept the trade reports of reporting firms or their designated third-party reporting intermediaries. The reporting party is determined as follows:

<b>Transactions Between</b>	<b>Who Reports</b>
Two NASD members	Both the Buying and Selling NASD member
An NASD member and a non-NASD member	The NASD member
An NASD member and a customer	The NASD member

**NOTE: NASD member firms cannot qualify each other as “customers.”** Only an end customer (a non-NASD member institution or retail account) can be designated “C” (for Customer) in the trade report.

For example, firms ABCD and EFGH are both NASD members. Firm EFGH is a correspondent of firm ABCD, which is a clearing firm and also has execution capability. For complete audit trail purposes, any transactions that occur between these two member firms must be reported by both firms under each firm's own TRACE Market Participant ID (MPID), or by the clearing firm on the correspondent firm's behalf, under a pre-signed NASD/TRACE Give-Up Agreement. Under no circumstances may the clearing firm use the “C” designation for its own correspondent customer base, since each firm's identity would then be anonymous to regulatory/surveillance personnel and the audit trail would be broken.

### ***Website Security and Configuration Requirements***

TRACE uses a combination of Secure Socket Layer (SSL) encryption and X.509 Digital Certificate software to protect the data that is being transferred from the client to NASD and back. In order to access the TRACE website, the user must have been entitled to use the product and have been assigned a digital certificate to be loaded on the PC. The minimum operating system requirements for web access are:

<b>Windows PC</b>	<b>Sun Solaris</b>
Modem: 56K	Modem: 56K
Operating System: Win 95, 98, Windows NT, Windows 2000	Operating System: Version 2.61
Browsers: Netscape 4.06 and above	Browsers: Netscape 4.06 and above
Internet Explorer 4.01SP1 and above	

All content on each page should be visible on a screen with a resolution of 800x600.

### ***Website Access Levels***

The TRACE website provides two levels of service:

- **Level I Service** includes TRACE reporting and data retrieval capabilities, but does not include TRACE real-time market data. This level is charged at a reduced rate from the Level II service, and suits the needs of a participant that only occasionally trades corporate bonds or who is not interested in seeing market data through the TRACE website.
- **Level II Service** is the full-service Web browser that provides a participant with trade reporting capabilities as well as access to real-time TRACE market data.

NASD expects that firms will elect to have a combination of Level I and Level II Web browsers based on the needs of their personnel (thereby reducing a firm's overall website service cost).

## Chapter 2: Trade Reporting Requirements

Previously, NASD members were required to report trades to TRACE within one hour and fifteen minutes of trade execution. However, effective October 1, 2003, NASD members are obligated to report trades to TRACE within forty-five minutes of trade execution. Any further possible reductions in the reporting timeframe would be submitted for approval as rule filings with the SEC and announced in *Notices to Members* and on the TRACE website.

### **Normal System Hours**

TRACE will operate from 8:00 a.m. to 6:30 p.m., Eastern Time (ET).

Please refer to the TRACE Holiday Calendar for the schedule of holidays and early closings:  
[http://www.nasd.com/mkt\\_sys/trace\\_calendar.asp](http://www.nasd.com/mkt_sys/trace_calendar.asp)

### **Transaction Reporting Based on Execution Time**

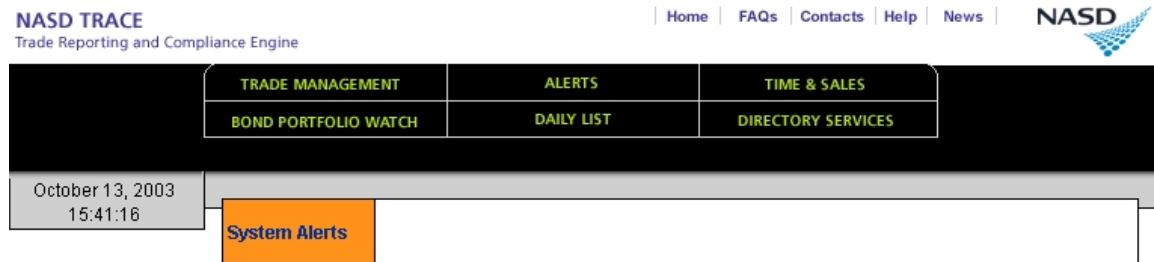
<b>If the trade was executed between</b>	<b>Report</b>
12:00 a.m. and 7:59:59 a.m. ET	Report the same day at 8 a.m., ET <sup>1</sup> , in adherence to the forty-five minute reporting structure.
8:00 a.m. to 6:29:59 p.m., ET	Report same day as a regular trade in adherence to the forty-five minute reporting structure. Note: If insufficient time remains at the end of the day to report the trade, it may be submitted as an As-Of trade the morning of the following business day (see below).
6:30 p.m. and 11:59:59 p.m., ET	Report on an As-Of basis <sup>2</sup> the morning of the following business day beginning at 8 a.m. ET in adherence to the forty-five minute reporting structure.

1. Trade executions between 12:00 a.m. and 7:59:59 a.m. will be disseminated upon receipt, and will be included in the calculation of daily high, low, and last sale prices.
2. Trade executions between 6:30 p.m. and 11:59:59 p.m. will be reported on an As-Of basis and will be disseminated upon receipt beginning at 8:00 a.m. the next trading day. These transactions will not affect the high, low, and last sale prices. Trades executed between 6:30 p.m. and 7:59:59 a.m. that are not reported within forty-five minutes of system open will be considered late.

**NOTE:** Executions done on a non-business day have special reporting requirements. See “How to Report Executions Done on a Non-Business Day” in Chapter 4.

**NOTE:** Please refer to “Accepted and Rejected Trade Reports” in Chapter 4 for the timeframes for resubmission of rejected trade reports.

## Chapter 3: Home Page



Welcome to NASD TRACE

**Figure 3.1 – TRACE Home Page and Masthead**

### ***Masthead Links***

These links are accessible throughout all TRACE screens.

#### **Home**

Navigates to the Home Page.

#### **FAQs**

Frequently asked questions and answers on system access, trade reporting responsibilities, and technical issues.

#### **Contacts**

Provides a list of TRACE support contacts.

#### **Help**

Access to the TRACE User Guide and rules of the TRACE system.

#### **TRACE News**

Latest news on the TRACE system and related issues.

#### **NASD Web Sites**

Navigates to the NASD Web Sites page.

## **Menu Bar**

The Menu Bar is available at the top of every TRACE page. Sub-menu choices are accessible underneath each menu item.

### **Trade Management**

- *Trade Entry* for reporting bond transactions.
- *AGU Trade Entry* for reporting Automatic Give Up transactions.
- *Trade Scan* to scan, view and edit trade reports entered into the system today. TRACE is a one day system, meaning that trade reports entered on previous days are not viewable on this screen.
- *Trade Report Data* to download or print a report of transactions previously submitted into TRACE. This report will allow you to retrieve reports received today and up to 9 days back (10 days total).

### **Alerts**

- *System Alerts* provides system and trade-related alert messages, such as system open/close and administrative broadcast messages. The System Alerts scroll bar can be viewed at all times below the Menu Bar functions.

### **Time & Sales**

- A *Search* screen to enable the user to view the individual trade history of any disseminated issue for the current day in real time. Individual transaction data and daily aggregate information are also available for at least 90 days, and weekly aggregate information is available for the last 52 weeks.
- A *Closing Price Download* file is generated at the end of each business day that allows Users to see the high, low, and "closing" price (as of 5:15 p.m. ET) for all disseminated TRACE bonds. If there was no activity that day for a particular bond, but there was a closing price disseminated on a previous day, that closing price will be provided along with the associated trade date. The closing price file is available nightly after 9:15 p.m. ET following each business day and throughout the following business day.

### **Bond Portfolio Watch**

- *Bond Portfolio Setup* enables the user to create up to eight personal portfolios, each containing a maximum of 50 NASD symbols or CUSIP numbers.
- *Bond Portfolio Retrieval* allows the User to retrieve disseminated information for their portfolios, such as last sale price, last sale date, etc.

### **Daily List**

- Provides a daily list of bonds that have been added, deleted or modified in the TRACE Bond Master file, as well as tracking name and symbol changes. The NASD TRACE Daily List Index provides a history of these changes for the year to view or download.

### **Directory Services**

- *Bond Scan* searches for bond issues by issuer name, CUSIP, NASD symbol, coupon, maturity date, rating, and PORTAL designation. The link to the downloadable TRACE-eligible list of securities is available on this page.
- *Participant Scan* searches for TRACE participants. The downloadable list of participants and their MPIDs is available on this page.

## Chapter 4: Trade Management

The Trade Entry page is used to enter original, As-Of, or Reversal transactions. The reporting party should enter all of the required fields from their firm's point of view of the trade. Many required fields are indicated by an asterisk (\*) next to the field name, however some additional fields may be required as well by TRACE Rules. For example, Yield is typically required, but there are exceptions for certain securities.

There are two Trade Entry screens: Trade Entry and AGU Trade Entry. Select the AGU Trade Entry screen if "Automatic Give Up" transactions are being reported. Otherwise, select the Trade Entry screen.

### Trade Entry

Trade Entry					
Side *	Quantity * (000)	NASD Symbol or CUSIP *	Price *	Yield	P/A
<input type="radio"/> Buy <input checked="" type="radio"/> Sell	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="radio"/> Principal <input type="radio"/> Agent <input type="checkbox"/> Override
Commission (points)	Contra MPID *	Exec Time (Military ET) *	Branch Seq #	Memo	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Modifier	Your	As Of / Reversal			
<input checked="" type="radio"/> N/A <input type="radio"/> .W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S <input type="checkbox"/>	Give Up: <input type="text"/>	<input type="radio"/> As Of <input type="radio"/> Reversal <input type="radio"/> N/A	MMDDYYYY <input type="text"/>	<input style="background-color: orange; color: white; border: 1px solid orange; border-radius: 5px; padding: 2px 10px;" type="button" value="Submit"/>	<input style="background-color: orange; color: white; border: 1px solid orange; border-radius: 5px; padding: 2px 10px;" type="button" value="Clear"/>
Special Price / Memo					
<input type="checkbox"/> <input type="text"/>					

Figure 4.1 – Trade Entry

Trade Entry					
Side *	Quantity * (000)	NASD Symbol or CUSIP *	Price *	Yield	
<input type="radio"/> Buy <input checked="" type="radio"/> Sell	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="checkbox"/> Override
Buyer Commission (in points)	Seller Commission (in points)	Contra MPID *	Exec Time (Military ET) *	Buyer P/A	Seller P/A
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input checked="" type="radio"/> Principal <input type="radio"/> Agent	<input checked="" type="radio"/> Principal <input type="radio"/> Agent
Modifier	Your	Contra		AGU	
<input checked="" type="radio"/> N/A <input type="radio"/> .W <input type="radio"/> .ND <input type="radio"/> .C <input type="radio"/> .S <input type="checkbox"/>	Give Up: <input type="text"/> Clearing #: <input type="text"/>	Give Up: <input type="text"/> Clearing #: <input type="text"/>		<input type="checkbox"/> Automatic Give Up	
As Of / Reversal		Branch Seq #	Contra Branch Seq #	Memo	
<input type="radio"/> As Of MMDDYYYY <input type="radio"/> Reversal <input type="text"/> <input type="radio"/> N/A		<input type="text"/>	<input type="text"/>	<input type="text"/>	
Special Price / Memo					
<input type="checkbox"/> <input type="text"/>					

Figure 4.2 – AGU Trade Entry

### ***Trade Entry Fields***

#### **Side (Required)**

- *Buy* - Click this radio button to enter a report where the reporting party was the buyer.
- *Sell* - Click this radio button to enter a report where the reporting party was the seller.

#### **Quantity (Required)**

Enter the number of bonds traded in this transaction, not the par value of the trade. Valid entry range is 0.00000 to 9,999,999.99999. “Bunching” of multiple executions into a combined report is not permitted. Each execution must be reported separately.

- *For regular trades - A trade with a par value of 500,000 will be entered as 500.*
- *For Mixed-Lot trades - Report as actual number of bonds traded, e.g., a trade for \$2,756.40 worth of a bond is reported as 2.7654.*
- *For Baby-Bond trades - Report as an actual percentage of \$1000 par value in decimal form, e.g., a trade value of \$512.37 would be reported as .51237.*
- *For bonds with par values greater than \$1000 - Translate the quantity into \$1000 equivalent, e.g. if a bond has a par value of \$500,000, and 10 bonds are bought or sold, the total par value is \$5,000,000. Divide by \$1,000 and report a quantity of 5000.*
- *For bonds with pro-rata sinking funds with “factors” - Report as an actual percentage of \$1000 par value in decimal form. Reporting of quantity for bonds involving a factor is the same as reporting quantity for a baby-bond; multiply the number of bonds times the factor to determine the quantity to report.*

**NOTE:** The quantity and price for two specific bonds, GMAC 0 12/1/12 (CUSIP 370424CZ4, Symbol GMAC.GC) and GMAC 0 6/15/15 (CUSIP 370424DA8, Symbol GMAC.GD), are handled differently than other non-standard issues that were explained above. These issues trade on the NYSE in units and in prices expressed in hundreds rather than in bond dollars (representing a percentage of par). Firms may hold these differently on their stock records and express the price in multiple ways. Firms typically settle these trades ex-clearing, with settlement necessitating that both parties use the same standards. The details of how to report trades in these two issues are fully described in Appendix A.

#### **CUSIP/Symbol (Required)**

Enter either the appropriate 9-digit CUSIP number or the NASD symbol associated with the trade. If the CUSIP or symbol is not known, you may utilize the Bond Scan under Directory Services, to search for a bond's CUSIP number or NASD symbol. A downloadable list of reportable CUSIP numbers is available from the TRACE web site, subject to a daily CUSIP license being in place.

**TIP:** If reporting by CUSIP, the TRACE system will automatically recognize a bond trading when-issued ("WI") rather than regular way by the settlement date. However, if reporting by NASD reporting symbol, users should check to see if two symbols have been assigned to one CUSIP number and use the one designated for WI trading. When an issue is trading on a WI basis, the same CUSIP number will be set up with two different reporting symbols, one for the WI status bond, and the other for the regular way bond. For firms reporting by symbol, it is important to make sure that the correct symbol has been selected when submitting a TRACE report. After settlement date, the system will not accept a regular way transaction under the WI symbol, unless it is an As-Of submission.

### **Price (Required)**

Enter the price at which the trade was executed. Valid entry format is 9,999.999999. For example, a bond traded at 98.625 should be reported as “98.625”. For principal trades, the price must include any markups or markdowns (note that this is different than FIPS reporting, where markups/markdowns were excluded from the reported price). For agency trades, the price field should NOT include the commission charged, since commission is reported in a separate field.

TRACE will validate the price that you submit by comparing it to other recent transactions in the same security. If the reported price is substantially different than the price determined by TRACE to be the “current market” for that security, you will receive an error message:

### **025: !REJ - PRICE OUT OF RANGE**

If this occurs, you should go back and check your price to be sure it is accurate, or that you don’t have the wrong issue, which could naturally have a completely different price. If after checking your price, you are certain that the price you are submitting is correct, you can click on the Override Flag (see below) to try and force the trade report through. TRACE will widen its tolerance range of acceptable prices somewhat. If the trade report still fails the price validation even with the Override Flag set, you will need to contact NASD Market Operations Emergency Trade Reporting at 866-776-0800, and report the trade over the telephone. You will be asked to explain why your price is substantially different than what TRACE considers the price should be.

### **Yield (Required for Trades In Most Securities)**

Yield is required unless the reported bond is traded flat or is a Pay In Kind (“PIK”), Perpetual, Floating Rate Note, Index-Linked bond, or any other security type identified by NASD that has unknown variables.

The reportable yield would be the lower of Yield To Call (YTC) or Yield To Maturity (YTM), and should be reported to at least three decimal places of accuracy. The call used is the one that produces the worst yield, or Yield To Worst (YTW). For continuously callable bonds (subject to a call notice at any time), YTC is based upon the assumption that the call notice will be issued the day after the trade is executed or on any subsequent date. Do not use the sinking fund call. Reporting of yield is consistent with the methodology used by the MSRB for municipal debt securities.

TRACE will validate the yield that you submit by calculating the yield as well. If the reported yield is substantially different than the yield calculated by TRACE, you will receive an error message:

### **093: !REJ - YIELD DOES NOT MATCH CALC-YLD**

If this occurs, you should go back and check your yield calculation. If after checking your calculations, you are certain that the yield you are submitting is correct, you can click on the Override Flag (see below) to try and force the trade report through. TRACE will widen its tolerance range of acceptable yields somewhat. If the trade report still fails the yield validation even with the Override Flag set, you can then report the trade omitting the yield entirely. Note that since yield is a required field by NASD Rules under most circumstances, this is a last resort. NASD Regulation will be monitoring the lack of yield reporting.

**NOTE:** For bonds trading WI where the settlement date is not known, if the WI trade was contracted on a yield basis, enter the yield in the yield field and leave the price field blank. If the trade was contracted on a dollar basis, enter the dollar price in the price field and leave the yield field blank.

### **Override Flag for Price and Yield**

All transactions entered into TRACE are subject to a price and a yield validation. The Override Flag allows a wider variance for the entered price and yield to be accepted, which may be necessary in a rapidly moving

bond. If the entered price and yield is greater than the override variance allows, the transaction will still be rejected. Trades still rejecting on price using the override must be reported telephonically to the NASD Market Operations Emergency Trade Reporting at 866-776-0800. You may be asked to explain to NASD Regulation why your price is so far away from what TRACE considers to be the “current market” for this bond. This flag should only be used after an initial attempt to report the trade resulted in a rejection due to price variance, not on initial input of the trade report. Trades still rejecting on yield using the override should be submitted without yield; do not call Emergency Trade Reporting. It is recommended (although not mandatory) that firms keep a log for compliance purposes of any trade reports legitimately submitted without yield due to the Yield Override not accepting the submitted yield.

#### **Principal/Agent Capacity (Required)**

Click the appropriate radio button to indicate whether the reporting party is acting as Principal or Agent in the transaction. When using the AGU Trade Entry form, the reporting party should select the appropriate Buyer capacity or Seller capacity.

#### **IMPORTANT NOTE Regarding Agency Trades:**

For regulatory audit trail purposes, TRACE requires that all sides of all trades be reported. Because of this, trades where your firm acts as agent should be reported in the same way that a principal trade would be reported. For a complete description of how to properly report agency transactions, see “How To Report Agency Transactions” section below.

#### **Commission (Required if applicable)**

Enter the commission charged in points on a per bond basis. Valid entry format is 99.999999. For example, a sixteenth (1/16) commission on a trade is .0625, an eighth (1/8) is .125, a quarter (1/4) is .25, etc. If, however, the commission is a flat dollar amount, you must calculate the commission per bond: If a firm charges a flat \$100 fee for an odd lot trade of 10 bonds, the commission is \$10/per bond, or 1 point; if the fee is a flat \$50 per ticket, on a 10 bond trade, this would be \$5/per bond, or .50 (half a point). When using the AGU Trade Entry form, the reporting party should put the commission it charged into the appropriate commission field (Buyer Commission or Seller Commission) corresponding to the reporting party’s Side (as Buyer or Seller).

**NOTE:** Customers with fee-based accounts are considered to have separate business arrangements with their Bond Dealer. For purposes of TRACE reporting, transaction fees billed to the Customer by the BD, for example, on the basis of amount of assets in the account, are not reportable as commissions, since in the normal course of business, the Customer would be dealing on a net basis with the BD and paying the BD a separate fee to service its account. Neither is sales credit assigned to a salesperson reportable.

#### **Contra MPID (Required)**

Enter the Market Participant ID (MPID) of the other party to the trade. If the Contra party is a customer, “C” may be reported as a valid entry. NASD member firms cannot qualify each other as a customer; all NASD member firms must be identified by their own MPID, regardless of their business role (introducing broker, executing broker, etc.)

#### **Execution Time (Required)**

Enter the time at which the trade was executed. All reported times are Eastern Time and must be entered in military time format, HHMMSS (except that seconds may be entered as “00” if your system is not capable of reporting seconds). For example, if a trade was executed at 2:30 p.m., the execution time should be reported as 143000 or 14:30:00. In transactions where the price is determined by a spread off a benchmark, the execution time would be considered the time that the benchmark yield is determined.

#### **Modifier (Required if applicable)**

This is a qualifying entry field used to indicate the trade was executed under one or more of the following circumstances:

Modifier	Description
N/A	Indicates a regular trade. Use this to clear out another selection you may have inadvertently made.
.C	Click this radio button for cash transactions, (same day delivery/settlement).
.ND	Click this radio button for Next-Day settlement transactions.
.S	Click this radio button for non-regular way (T+3) settlement periods of either 2 or 4 – 60 days. If this modifier is selected, you must enter the number of days for the trade to settle in the accompanying entry box.
.W	Indicates that the price of the trade was based upon a weighted average of some previous transactions. If a particular trade report is both a weighted average and an odd settlement period (.C, .ND, .S), the weighted average modifier takes precedence.

### **Your Give Up**

Enter a valid MPID of the firm on whose behalf you are submitting the trade, (i.e., a clearing firm submitting on behalf of a correspondent, would enter the correspondent's MPID in the Your Give Up field.). This MPID is required if the AGU flag is checked (see Automatic Give Up below).

### **Your Clearing #**

This is an optional entry field for the reporting party's clearing firm number.

*Note: If a clearing number is not entered, then TRACE will assign the default one that was set up when your firm's MPID was added to the TRACE system, if it was supplied.*

### **Contra Give Up (AGU Only)**

For AGU transactions, enter the valid MPID for the contra party of the Give-Up trade, (i.e., the party on the other side of the trade from the one listed in the Your Give Up field (see Automatic Give Up below).

### **Contra Clearing # (AGU Only)**

This is an optional entry field for the contra's clearing firm number.

### **Automatic Give Up (AGU Only)**

The **AGU Trade Entry** screen must be used to report AGU transactions (see Figure 4.2 - AGU Trade Entry on page 12). Click the AGU flag to indicate that a “locked-in”, two-sided trade is being reported. In addition to this flag, the Contra ID should contain the MPID of the Reporting Party (which makes it look like the Reporting Party is trading with themselves), and the “Your Give Up” and/or “Contra Give Up” fields should be entered with the parties involved in the trade. See “[What is the Difference Between a Give-up and an AGU?](#)” section below for more details.

### **As-Of / Reversal**

Click the As-Of button if the trade was executed before the current day, (i.e., the trade was executed yesterday, but was not reported to TRACE until today). Click the Reversal button to reverse (cancel) a trade originally reported on a previous day. The original trade execution date must be entered in the date field for both As-Of and Reversal reporting. To correct an error made on a trade report submitted on a previous day, a reversal for the original trade must be submitted, followed by an As-Of trade to replace it. Partial reversals are not permitted, i.e., if you reported a trade for 200 bonds yesterday, but should have reported 100 bonds, you cannot just reverse 100 bonds and be done. You must reverse the full 200 and then enter a new As-Of trade for the 100.

### **Branch Sequence #**

This is an optional entry field. The Branch sequence # is an in-house reference number assigned to the trade by the Reporting Party. It is typically used by firms with several branch offices that want to identify which branch input a particular trade. This field will accept from one to eight alphanumeric characters.

### **Contra Branch Sequence # (AGU Only)**

This is an optional entry field. The contra branch sequence # is an in-house reference number assigned to the trade by the Contra side. This field will accept from one to eight alphanumeric characters.

### **Memo**

This is an optional entry field. It is a 10-character alphanumeric field used for the Reporting Party's internal memo purposes. This memo will not be shown to the Contra side.

### **Special Price Flag / Memo (Required if applicable)**

Check the Special Price Flag to indicate the existence of a special trade condition that impacted the execution price, such as trading a bond with interest when it is currently trading flat by market convention. The Special Memo field is a fifty character alphanumeric field used to input the special conditions underlying a specified trade, and will be shown to the Contra side. If the Special Memo field is filled in, the Special Price Flag must be checked.

Click the **Submit** button to submit your trade as entered on the Trade Entry/AGU Trade Entry page, or Click the **Clear** button to clear your selections.

## ***How to Report Executions Done on a Non-Business Day***

Although rare, executions can occur on non-business days. These transactions need to be reported, however TRACE will not accept a trade report with a non-business execution date. In order to report these transactions, do the following:

- Within the first 45 minutes of the first business day after the execution date, report the transaction to TRACE.
- The business date will be used as the execution date. DO NOT report the transaction as an "as-of" trade; the system will reject it.
- In the Execution Time field, enter "00:01" (one minute after midnight) as the execution time. DO NOT enter the actual execution time of the trade in this field.
- Mark the transaction with the Special Price Flag.
- In the Special Memo field, enter the *actual* execution date and time from the non-business date. For example, if an execution occurred on Saturday June 1, 2002 at 3:00 p.m. ET, the Special Memo would contain "06/01/2002 15:00".

## ***How to Report Agency Transactions***

In order to capture a complete audit trail for regulatory use, agency transactions need to be reported in the same way that principal transactions are reported. What this means is that if your firm acts as agent for your customer, the trade reports you must submit will "look" like you stood between your customer and the contra party.

For example, Firm XYZ receives an order from a customer to sell 100 bonds. Acting as the customer's agent, XYZ sells the bonds to ABC. Although, technically the customer sold the bonds to ABC with XYZ acting as their agent, the reports from XYZ would be made as follows:

*Report #1: XYZ BUY 100 bonds from C as Agent @ 98 and charged .125 commission*  
*Report #2: XYZ SELL 100 bonds to ABC as Agent @98.*

Notice that even though XYZ SOLD the bonds FOR their customer, they actually reported a BUY FROM the customer, followed by a SELL TO ABC. This is how a principal trade would be reported as well. Be aware that the trade tickets your firm generates for agency trades will most likely be different from the report you must submit. In the example above, you would probably have only a single SELL ticket, showing

the customer vs. ABC, yet in TRACE you are reporting a BUY FROM the customer, followed by a SELL TO ABC.

Another aspect to be careful of is the calculation of yield for agency transactions. The yield you report must be inclusive of commissions charged, which is in line with what is done for customer confirmations. The yield is a corollary of price, and the inclusion of commissions can be confusing. The general understanding with regard to agency trades is that you “Buy Plus Commission”, and “Sell Less Commission”. However, realize that those axioms are from the customer’s perspective. It is the customer that is buying plus the commission, but the TRACE trade reports are always from the NASD member’s point of view. What this means is that when you incorporate the commission charged into the price for yield calculation, you must SUBTRACT the commission on BUY trade reports, and ADD the commission on SELL trade reports. This makes sense, because when the customer is Buying, a member firm is Selling, based on the way the reports must be made. In the example above, the price that would be used for yield calculation in Report #1 would be 98 MINUS .125 or 97.875.

### ***What is the Difference Between a Give-Up and an AGU?***

A “Give Up” trade report is reported by one NASD Member on behalf of another NASD Member who had a reporting responsibility. In order to do this, “Give-Up” agreements are required for every firm for which the reporting firm will submit. A simple example of a Give-Up would be a clearing firm that reports on behalf of its correspondent firms. The clearing firm reports the trade, but “gives up” the name of the correspondent in the Give-Up field. The trade report will be considered to have come from the correspondent for regulatory and billing purposes.

**IMPORTANT NOTE:** Only the firm that submits the trade report into TRACE (the firm whose MPID is in the Reporting Party field of the trade report) can subsequently correct or cancel that trade report. When an NASD member firm is logged into the NASD web application, that firm’s MPID is automatically placed in the Reporting Party field. A clearing firm can report for a correspondent firm by putting the correspondent’s MPID in the "Give-Up" field. In this case, only the clearing firm has access to the report on TRACE; if the correspondent realizes a mistake was made, the correspondent will have to notify the clearing firm and the clearing firm would be required to correct it on the correspondent’s behalf. This is also true when a clearing firm reports via a CTCI line by putting their MPID in the "Reporting Party" field and uses the "Give Up" field to report on behalf of their correspondent; the clearing firm must perform the cancels and corrections for the correspondent.

Conversely, transactions submitted via NSCC do NOT have the ability to use the TRACE "Give-Up" field, even if a clearing firm is submitting on behalf of their correspondent. Instead, the correspondent’s MPID is submitted in NSCC’s Executing Broker field, which winds up in the "Reporting Party" field in TRACE, and the clearing firm’s clearing number is put in the TRACE "Clearing Number" field. Because of this, clearing firms coming through NSCC can NOT correct transactions in TRACE for their correspondents, since the clearing firm’s MPID is not in the Reporting Party field; the correspondents MUST do it themselves through the NASD web application. Only the firm whose MPID is in the "Reporting Party" field of the trade report can subsequently correct or cancel that trade report.

An Automatic Give-Up, or AGU, is a trade report representing both sides of a transaction. Alternative Trading Systems (ATSs) and Electronic Communications Networks (ECNs), and even clearing firms have the ability to match buy and sell orders, and create “locked-in” executions ready for settlement that require no further comparison by the involved parties. ATSs and ECNs that are NASD members (as opposed to those registered as an exchange) have the ability to report on behalf of multiple parties using a single trade report to TRACE and indicate that the trade is “locked-in” by using the AGU flag. A clearing firm that executes a trade with one of its correspondents can likewise submit a “locked-in” trade, since the clearing

firm clears the trade for the correspondent. In order to do this, “Give-Up” agreements (GUs and AGUs are covered by the same agreement) are required for every firm for which the ATS/ECN or clearing firm will submit trade reports. Depending on the scenario, a “One-sided” or “Two-sided” AGU can be submitted.

**NOTE:** The seller’s Customer side and the buyer’s Customer side are additional separate reports not covered by the AGU report.

Click the AGU flag to indicate that a “locked-in”, two-sided trade is being reported. In addition to this flag, the Contra ID should contain the MPID of the Reporting Party, and the “Your Give Up” and “Contra Give Up” fields should be entered identifying the parties involved in the trade.

**NOTE:** The use of AGU for trade reporting is optional. Instead, two separate reports, one from the Clearing firm’s point of view, followed by another report from the Correspondent’s point of view (using the Give-Up field) can be used instead.

Scenario	How To Report
<b>Simple Give-Up</b> Clearing firm just reporting a trade for one of its correspondents	<ul style="list-style-type: none"> <li>The clearing firm enters the MPID of the correspondent in the “Your Giveup” field</li> <li>Marks the trade as a Buy or Sell, based on whether the correspondent firm bought or sold</li> <li>Marks the P/A indicator as either Principal or Agent, depending on what capacity the correspondent acted.</li> <li>Enter any modifiers that applied to the correspondent</li> </ul>
<b>One-sided AGU</b> A clearing firm executes a trade with one of its correspondents, creating a “locked-in” trade with the correspondent. To report this trade, the clearing firm fills in the following:  OR  An NASD member ATS/ECN matches a Buy and a Sell order from NASD member firms using its system which causes two executions to occur, and creates two “locked-in” trades. Each counterparty knows the ATS/ECN as its contra, i.e., the ATS/ECN provides anonymity through settlement. Two One-sided AGUs would be reported.	<ul style="list-style-type: none"> <li>The clearing firm enters its own MPID in the Contra MPID field (which makes it look like the clearing firm is trading with itself)</li> <li>Marks the trade as a Buy or Sell, based on whether the clearing firm bought or sold</li> <li>Puts the MPID of the correspondent in the Contra Give Up field</li> <li>Marks the capacity indicators for both itself and the correspondent. If the clearing firm Sold, then the clearing firm marks its capacity in the Seller P/A and the correspondent’s capacity in the Buyer P/A.</li> <li>Enters any modifiers that applied to the clearing firm</li> <li>Checks the AGU checkbox.</li> </ul>

Scenario	How To Report
<p><b>Two-sided AGU</b>  A clearing firm is reporting on behalf of two fully disclosed correspondent firms that traded with each other. Since the clearing firm processes both sides of the trade, the clearing firm can consider the trade “locked in”, permitting an AGU report.</p> <p>OR</p> <p>An NASD member ATS/ECN matches a Buy and a Sell order from NASD member firms using the ATS/ECN system, which causes an execution to occur, and generates a “locked-in” trade in which the two counterparties ARE DISCLOSED TO ONE ANOTHER.</p>	<ul style="list-style-type: none"> <li>The clearing firm or ATS/ECN enters its own MPID in the Contra MPID field</li> <li>Marks the trade as Sell. The report is made from the point of view of the correspondent who SOLD.</li> <li>Puts the MPID of the Selling correspondent in the “Your Give Up” field</li> <li>Puts the MPID of the Buying correspondent in the “Contra Give Up” field</li> <li>Marks the capacity indicators for the correspondents in the Seller P/A and Buyer P/A fields.</li> <li>If either of the correspondents is charging a commission, enter the commissions</li> <li>Enter any modifiers that applied to the Selling correspondent</li> <li>Checks the AGU checkbox.</li> </ul>

### ***What is the Difference Between a Give-Up and a Step-out?***

A Step-out allows Broker/Dealer A (executing broker) to “Step out,” or allocate all or part of a trade to another broker/dealer (Broker/Dealer B). The only reportable event is the transaction between the executing firm (Broker/Dealer A) and its customer. Where Broker/Dealer B performs nothing more than a clearing function in the Step-out, Broker/Dealer B does not have a reporting obligation. This scenario assumes that the position is held in a non-proprietary account at Broker/Dealer B used for clearing purposes only. Step-outs serve as a position transfer between firms, rather than a trade. They represent a post-trade processing function that occurs outside TRACE. Since the other broker/dealer is neither involved in the execution nor otherwise a party to the transaction, Broker/Dealer A has no reporting responsibility versus Broker/Dealer B, nor vice-versa. Dealings are with the customer and should be reported as such.

### ***Accepted and Rejected Trade Reports***

#### **Accepted Trade Reports**

When a trade report is submitted, TRACE will validate the transaction and, if accepted, will return a confirmation message in the status line located at the top of the entry page. The confirmation message will return a TRACE Control #, CUSIP, NASD Symbol, and the description of the issue. You should ensure that the information displayed is correct. If the information is not correct, you may Cancel or Modify (No/Was) the transaction through the Trade Scan screen.

**NOTE:** Cancel and No/Was can only be performed on transactions submitted to TRACE today. Transactions submitted on previous days must be canceled using a Reversal, or modified using a Reversal / Resubmission combination. See the “Cancel, No/Was and Reversal Functions” section below.

Confirmation			
Control#	CUSIP	Symbol	Name
2811000014	413627AD2	HRHO.GA	HET 7.875 12/15/05 8r Sub Note

**Figure 4.3 – Confirmation message**

**TIP:** It is a good idea to keep a record of the Control Numbers you receive back from TRACE. If you need to quickly find a trade later, you can search by Control Number. Also, since TRACE is a one-day system, all entered trade reports are deleted at the end of the day. If you need to cancel a trade on a subsequent date, you must use a Reversal, and you must supply the Control Number of the trade that you are reversing.

### **Rejected Trade Reports**

If the trade is rejected after submitting the trade entry, TRACE will return up to five different error codes in the status line located at the top of the entry page. All originally entered data will remain on the Trade Entry page for editing. You may re-submit the transaction after making the necessary corrections.

Any trade rejected by TRACE should be corrected and resubmitted to TRACE as soon as possible by the reporting member. With the implementation of 45-minute reporting, the interpretive guidance previously available regarding the submission of rejected transaction reports has changed significantly. Effective October 20, 2003, for trades executed at or between 8 a.m. ET and 5:45 p.m. ET, firms will be allowed up to 90 minutes to resubmit any transaction report that is rejected from the system (45 minutes from the time of execution plus a 45-minute extension of time). However, there are three scenarios to which the extra 45-minute extension period is NOT applicable:

- For trades executed, reported to, and rejected from TRACE during the last 45 minutes before system shutdown, the report must be resubmitted within the first 45 minutes of system open on the next business day in order to not be considered late. (No additional extension applies.)
- For trades executed within the last 45 minutes before system shutdown, submitted for the first time, “As-Of”, the following business day and then rejected, an additional 15-minute extension is granted.
- If a member executes a trade when the system is closed--either after system hours, or on a weekend or a holiday--and submits the next business day within 45 minutes of system open, and the report is rejected, the member has until 8:59:59 a.m. ET to submit successfully to the system.

**Note:** As of October 20, 2003, NASD will no longer distinguish between transaction reports for disseminated securities (“high priority” reports) and non-disseminated securities (“low priority” reports). All periods for reporting, including extensions of time to correct and resubmit a rejected trade report, apply uniformly to all transaction reports submitted to TRACE.

The following guidelines apply to the resubmission of rejected transaction reports:

<b>If the trade was executed</b>	<b>Report</b>
Between 5:45:01 p.m. ET and 6:29:59 p.m. ET Reported on Trade Date, but rejected	Report on an As-Of basis on the morning of the following business day beginning at 8 a.m. ET within 45 minutes of system open. No extension applies.
Between 5:45:01 p.m. ET and 6:29:59 p.m. ET Member did not report on Trade Date	Report on an As-Of basis on the morning of the following business day beginning at 8 a.m. ET; if the submission rejects, a 15-minute extension, to 8:59:59 a.m. ET, applies.
Between 6:30:01 p.m. ET and 7:59:59 a.m. ET on a business day (when system is closed)	Report on an As-Of basis on the morning of the following business day, if reporting T+1; or, for pre-system-open trades, report on Trade Date beginning at 8 a.m. ET; if either submission rejects, a 15-minute extension, to 8:59:59 a.m. ET, applies.
On a weekend or holiday	Report on an As-Of basis on the morning of the following business day beginning at 8 a.m. ET; if the submission rejects, a 15-minute extension, to 8:59:59 a.m. ET, applies.

## Trade Scan

The Trade Scan function enables the reporting party to search and view trades using a number of filtering criteria. Reporting parties can correct or cancel their own same-day entered trades through this screen.

### Trade Scan

Status	By/Against	Trade Type	T-Date	Reversal
<input type="radio"/> Trade Report <input type="radio"/> Other <input checked="" type="radio"/> All	<input type="radio"/> By <input type="radio"/> Against <input checked="" type="radio"/> Both	<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All	<input type="radio"/> T-day <input type="radio"/> T+1 <input type="radio"/> T+2..n <input checked="" type="radio"/> All	<input type="checkbox"/> Reversal
NASD Symbol or CUSIP	Contra	Exec Time	Control #	
<input type="text"/> <input type="checkbox"/> When Issued	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 4.4 – Trade Scan

### Trade Scan Fields

#### Status

Click the appropriate radio button to select the following types of trades:

- *Trade Report* - Displays all the trade reports entered today by the reporting party.
- *Other* - Displays the canceled and corrected trades entered today by the reporting party.
- *All* - Displays all transactions, (trade reports, canceled and corrected trades).

#### By/Against

Click the appropriate radio button to select trades entered by the requesting firm, entered against the requesting firm or both. The Against button allows you to see trade reports being entered by other TRACE participants who are listing your firm as their counterparty.

#### Trade Type

Click the appropriate radio button to select the following types of trades:

- *Sell* - Displays only trades where your firm was the seller.
- *Buy* - Displays only trades where your firm was the buyer.
- *All* - Displays all trades (buy and sell).

#### T-Date

Click the appropriate radio button to select one of the following trade dates:

- *T-day* - Displays trades with an execution date of today.
- *T+1* - Displays trades with an execution date of the previous business day (As-Of).
- *T+2..n* - Displays trades with an execution date of two or more business days ago (As-Of).
- *All* - Displays all trades (T-day, T+1, and T+2..n).

#### Reversal

Click the Reversal checkbox to scan reversed trades entered today.

#### CUSIP/Symbol

Enter the nine-digit CUSIP or the NASD Symbol to view trade information for a specific security. If this field is left blank, trades for all securities will be displayed. You may utilize the Bond Scan, under Directory Services, to search for a bond's CUSIP number or NASD symbol.

#### When-Issued

Click this check box to view trades on When-Issued bonds. Note that TRACE captures secondary market transactions only and that When-Issued bonds in the system were likely created as a result of a corporate event, such as a reorganization, and are not to be confused with When Issued debt in the primary market.

**NOTE:** Different NASD symbols or CUSIPs may exist for When Issued trades and Regular Way trades for the same bond. Be sure to enter the correct NASD symbol or CUSIP when selecting a When Issued trade.

#### Contra

Enter the Contra ID to display only trades with that Contra party. If this field is left blank, trades with all contras will be displayed based upon the other criteria selected.

#### Execution Time

Enter the execution time to display trades that were executed at that time or later. If this field is left blank, all trades will be displayed based upon the other criteria selected.

#### Control Number

Enter the 10-digit control number assigned by TRACE to the trade to display a specific trade. If this field is left blank, all trades will be displayed based upon the other criteria selected.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

### **Trade Scan Results**

Once you click on the Submit button, TRACE will search for all of the transactions that meet your search criteria, and will return them at the bottom of the Trade Scan page.

Trade Scan									
Status		By/Against		Trade Type		T-Date		Reversal	
<input type="radio"/> Trade Report <input type="radio"/> Other <input checked="" type="radio"/> All <input type="radio"/> Both		<input type="radio"/> By <input type="radio"/> Against <input checked="" type="radio"/> Both		<input type="radio"/> Sell <input type="radio"/> Buy <input checked="" type="radio"/> All		<input type="radio"/> T-day <input type="radio"/> T+1 <input type="radio"/> T+2..n <input checked="" type="radio"/> All		<input type="checkbox"/> Reversal	
NASD Symbol or CUSIP		Contra		Exec Time		Control #			
<input type="text"/> <input type="checkbox"/> When Issued		<input type="text"/>		<input type="text"/>		<input type="text"/>		<input type="button" value="Submit"/>  <input type="button" value="Clear"/> 	

#### **Results**

	Status	Buy	Sell	B/PA	Quantity	Symbol	Price	Exec Date	Control#	BCL#
		G/U	G/U	S/PA		CUSIP	Yield	Exec Time	Br Seq	SCL#
Special Price Memo										
<input checked="" type="radio"/>	T	C	*NQWNB	P	1000.00000	HRHO.GA	108.375000	10/08/2003	2811000016	
				P		413627AD2	3.812000	12:20:50		0390
<input checked="" type="radio"/>	No	MLCO	*NQWNB	P	1000.00000	HRHO.GA	108.250000	10/08/2003	2811000014	0003
				P		413627AD2	3.870000	11:25:00		0390
<input checked="" type="radio"/>	Was	MLCO	*NQWNB	P	1500.00000	HRHO.GA	108.250000	10/08/2003	2811000015	0003
				P		413627AD2	3.870000	11:25:00		0390
<input checked="" type="radio"/>	T	*NQWNB	C	P	1000.00000	HRHO.GA	108.000000	10/07/2003	2810000002	0390
	AsOf			P		413627AD2	4.003000	17:35:28		
<input type="button" value="No/Was"/>  <input type="button" value="Cancel"/> 										

**Figure 4.5 – Trade Scan Results Screen**

## ***Trade Scan Results Fields***

### **Status**

<b>Status</b>	<b>Description</b>
T	A status “T” represents a trade entry.
C	A status “C” represents a Cancelled transaction.
N	A status “No” represents the No portion of a No/Was transaction, or the incorrect trade entry.
W	A status “Was” represents the Was portion of a No/Was transaction, or the corrected trade entry.

### **Buy**

Displays the MPID of the buy side of the trade. An asterisk (\*) positioned in front of the MPID denotes a buy trade entered by the reporting party.

### **Buy G/U**

Displays the MPID of the buyer Give-Up firm.

### **Sell**

Displays the MPID of the sell side of the trade. An asterisk (\*) positioned in front of the MPID denotes a sell trade entered by the reporting party.

### **Sell G/U**

Displays the MPID of the seller Give-Up firm.

### **Buyer P/A (B/PA), Seller P/A (S/PA)**

Displays the Buyer’s and Seller’s capacity in the transaction, “P” for Principal, “A” for Agent.

### **Quantity**

Displays the quantity of bonds traded expressed as number of bonds, not par value.

### **Symbol**

Displays the NASD symbol.

### **Price**

Displays the price at which the trade was executed.

### **Execution Date**

Displays the date the trade was executed.

### **Control #**

Displays the unique 10-digit TRACE-assigned control number of the trade. The first three digits of the control number denote the Julian (calendar) date (beginning from 001 each year), followed by a 0 or a 1 for a Buy or a Sell, followed by a six digit sequence number starting from zero each day.

### **BCL #**

Displays the buy-side clearing firm number.

### **SCL #**

Displays the sell-side clearing firm number.

### **CUSIP**

Displays the CUSIP of the bond. For When-Issued CUSIPs, a “WI” will appear after the CUSIP number.

### **Yield**

Displays the yield at which the bond was reported or calculated by TRACE (the lower of YTC or YTM).

**Execution Time**

Displays the time at which the trade was executed.

**Br-Seq**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if it was entered.

**Memo**

Displays up to 10 alphanumeric characters. This field is for internal memo purposes only and will not be displayed to the contra side.

**Special Memo**

Displays 50 characters of alphanumeric text to describe terms of a specified or special trade. This memo will be shown to the Contra side.

To correct or cancel a specific trade report, select it by clicking on the radio button to the left of the appropriate trade report and then clicking on the **No/Was** or **Cancel** button, respectively.

***Cancel, No/Was, and Reversal Functions***

Trade reports that were accepted by TRACE that you later discover contain errors (or should not be reported at all), must be corrected or removed. The Cancel, No/Was and Reversal functions are the tools used to do this.

**NOTE:** Because TRACE is a “one day” system, Cancel and No/Was can only be performed on transactions submitted to TRACE earlier the same day. Transactions submitted on previous days must be canceled using a Reversal, or modified using a Reversal / Resubmission combination.

***Cancel***

To cancel a trade report completely that was submitted earlier in the day, use the Cancel function on the Trade Scan page by clicking the radio button to the left of the appropriate trade report that you want to cancel and then click the **Cancel** button at the bottom of the page. The status of the trade will change to “C” after you take action.

***No/Was***

To correct a trade report submitted earlier in the day, use the No/Was function on the Trade Scan page by clicking the radio button to the left of the appropriate trade report that you want to modify and then click the **No/Was** button at the bottom of the page. You will be taken to the No/Was function page.

The No/Was function page displays all the details of the original trade. TRACE determines whether the modified transaction will be disseminated to the public based on the fields changed within this page.

No/Was								
Side	Control#	Quantity	NASD Symbol	CUSIP	Price	Yield	Contra	ExecTime
Sell	2811000017	100.00000	HRHO.GA	413627AD2	108.250000	3.812000	C	12:47:15
Side	Quantity (000 )			Price		Yield		
<input type="radio"/> Buy <input checked="" type="radio"/> Sell	200.00000			108.250000		3.812000		
<input type="checkbox"/> Override								
Buyer Commission (in points)		Seller Commission (in points)		Exec Time (Military ET)		Buyer P/A	Seller P/A	
0.000000		0.125000		12:47:15		<input checked="" type="radio"/> Principal <input type="radio"/> Agent	<input type="radio"/> Principal <input checked="" type="radio"/> Agent	
Modifier	Your			Contra		AGU		
<input checked="" type="radio"/> N/A <input type="radio"/> W <input type="radio"/> ND <input checked="" type="radio"/> C <input type="radio"/> S <input type="checkbox"/>	Give Up: <input type="text"/>			Give Up: Clearing #: 0390		<input type="checkbox"/> Automatic Give-up		
As Of/Reversal		Branch Seq #	Contra Branch Seq #		Memo			
<input type="radio"/> As Of <input type="radio"/> Reversal <input checked="" type="radio"/> N/A		<input type="text"/>	<input type="text"/>		<input type="text"/>			
Special Price / Memo								
<input type="checkbox"/> <input type="text"/>						<input style="background-color: orange; color: white; border: 1px solid orange; border-radius: 5px; padding: 2px 10px;" type="button" value="Submit"/>	<input style="background-color: orange; color: white; border: 1px solid orange; border-radius: 5px; padding: 2px 10px;" type="button" value="Clear"/>	

Figure 4.6 – No/Was Page

The following fields may be modified on the No/Was screen:

Side	Buyer Commission	Modifier	Contra Branch Sequence #
Quantity	Seller Commission	Your Give Up/Clearing #	Memo
Price	Execution Time	Automatic Give Up flag	Special Price/Special Memo
Yield	Buyer P/A	As-Of/Reversal Date	
Override flag	Seller P/A	Branch Sequence #	

Changes to other fields must be accomplished by completely canceling the trade report and entering a brand new report to replace it.

After correcting the trade, click the **Submit** button to submit the trade modifications into the TRACE system. If the trade is accepted, a confirmation message will appear. An accepted No/Was transaction will update the original transaction to a status of “No” (incorrect report version) and generate a new transaction with a status of “Was” (corrected report version) in the Trade Scan screen, and a new control number will be assigned to the “Was” version of the report. If the trade is rejected, reason codes will appear and corrections to the trade will need to be entered again.

**TIP:** The “No” version of the report is like a “Cancel”, and the “Was” version is like a new trade report, although it is better in the sense that TRACE internally maintains a linkage between the “No” and the “Was” portions. If an outright Cancel, followed by a new trade report combination is used, no such linkage exists. This is important to NASD Regulation, and shows that you repaired a mistake, so you should use the No/Was function whenever possible.

**TIP:** Notice that there is no radio button to the left of a “No” trade in the Trade Scan. That is because these trades cannot be altered. Only the “Was” portion of a “No/Was” combination can be edited or canceled. You can “No/Was” a “No/Was” as many times as is necessary to get the final report correct by selecting the “Was” trade report in the Trade Scan and clicking on the No/Was button to modify it.

Click the **Clear** button to remove all the trade entry information in the editable fields of the No/Was page.

### **Reversal**

To cancel a trade report completely that was originally submitted on a previous day, you must submit a **Reversal** transaction, which is accomplished through the Trade Entry page (or AGU Trade Entry page, if the transaction to be reversed is an AGU). Enter the trade report EXACTLY the same way as the original report was submitted, with the following additions:

- Select the “Reversal” radio button in the “As-Of / Reversal” section of the page.
- Fill in the execution date of the original trade report that you are reversing.
- Enter the Control Number of the trade report you are reversing in the “Memo” field (NOT the “Special Memo” field at the bottom of the page).

If the original trade report that is being reversed was disseminated, then this reversal trade report will also be disseminated, notifying the world that the previous trade was posted in error.

To correct an error made on a trade report submitted on a previous day, a reversal for the original trade must be submitted (as described above), followed by an As-Of trade to completely replace it.

**NOTE:** Partial reversals are NOT permitted, i.e., if you reported a trade for 200 bonds yesterday, but should have reported 100 bonds, you cannot just reverse 100 bonds and be done. You must reverse the full 200 and then enter a new As-Of trade for the 100.

### **Trade Report Data**

The Trade Report Data function enables the reporting party or their Give-Up firms to search and view trades that have been previously accepted by TRACE using a number of filtering criteria. TRACE can display data entered either the same day or the previous 9 business days (for a total of 10 business days) through this page. Each business day’s activity must be retrieved individually. Firms are encouraged to save their results every day, since the control numbers needed to do reversals are not readily available going back beyond 10 business days. (For control numbers dating back beyond 10 business days, contact NASD Market Operations at 866-776-0800.)

**NOTE:** If you are using a third-party to report on your behalf, and the third-party uses the “Give-Up” field to report your trades, you CAN see these reports from this page.

### **Trade Reports**

By/Against	Trade Type	Trade Date	Time Range
<input checked="" type="radio"/> By <input type="radio"/> Against <input type="radio"/> Both	<input type="radio"/> Sell <input checked="" type="radio"/> Buy <input checked="" type="radio"/> All	10/8/2003 ▾	Start Time: 00:00:00 <input style="margin-left: 10px;" type="button" value="Submit"/> End Time: 23:59:59 <input style="margin-left: 10px;" type="button" value="Clear"/>
NASD Symbol or CUSIP	Contra	Branch Seq #	Format
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="radio"/> Pipe delimited <input checked="" type="radio"/> Formatted <input style="margin-left: 10px;" type="button" value="Submit"/> <input style="margin-left: 10px;" type="button" value="Clear"/>

**Figure 4.7 – Trade Report Data Query**

## ***Trade Report Data Query Fields***

### **By/Against**

Click the appropriate radio button to select trades entered by the requesting firm, entered against the requesting firm or both. The Against button allows you to see trade reports being entered by other TRACE participants who are listing your firm as their counterparty.

### **Trade Type**

Click the appropriate radio button to select the following types of trades:

- *Sell* - Displays only trades where your firm was the seller.
- *Buy* - Displays only trades where your firm was the buyer.
- *All* - Displays all trades (buy and sell).

### **Trade Date**

From the pick list, select an individual trade date, beginning with the current business day and going back an additional 9 business days, to retrieve a total of 10 days' trading activity reported to the system. Data must be retrieved one reporting day at a time.

### **Time Range**

Enter the desired time range to limit the trade report times to be returned. Start Time must be less than End Time and must be in the range of 00:00:00 through 23:59:59. The default time range returns trades for the entire day.

### **NASD Symbol or CUSIP**

Enter the nine-digit CUSIP or the NASD Symbol to view trade information for a specific security. If this field is left blank, trades for all securities will be displayed.

### **Contra**

Enter the Contra ID to display only trades with that Contra party. If this field is left blank, trades with all contras will be displayed based upon the other criteria selected.

### **Branch Seq#**

This is an optional entry field. The Branch sequence # is an in-house reference number assigned to the trade by the Reporting Party. It is typically used by firms with several branch offices that want to identify which branch input a particular trade. This field will allow you to limit the search to a particular Branch Sequence number. If this field is left blank, all trades will be displayed based upon the other criteria selected.

### **Format**

Click the appropriate radio button to select one of the following data formats:

- *Pipe delimited* – Returns the data as a file with pipe characters (“|”) between each field. This is most useful for loading data into other applications, such as spreadsheets or databases.
- *Formatted* – Returns the data as a file pre-formatted for printing directly from your browser.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

## ***Trade Report Data Results***

Once you click on the Submit button, TRACE will search for all of the transactions that meet your search criteria, and will return them at the bottom of the Trade Report Data page.

Status|ExecDate|ExecTime|ReportDate|ReportTime|Symbol|CUSIP|Buy/Sell|Capacity|Vol|Price|Comm|Yield|RPID|RPGU|CPID|CPGU|As-of/Reversal|Mod  
T|10/08/2003|11:25:00|10/08/2003|11:26:28|HRHO.GA|413627AD2|S|P|1000.0000|108.25000|0.000000|3.870000|NQWB||MLCO|||||||2811000014|  
N|10/08/2003|11:25:00|10/08/2003|11:46:50|HRHO.GA|413627AD2|S|P|1000.0000|108.25000|0.000000|3.870000|NQWB||MLCO|||||||2811000014|  
T|10/07/2003|17:35:28|10/08/2003|11:38:30|HRHO.GA|413627AD2|B|P|1000.0000|108.00000|0.000000|4.003000|NQWB||C||Y|||||2810000021|  
W|10/08/2003|11:25:00|10/08/2003|11:46:49|HRHO.GA|413627AD2|S|P|1500.0000|108.25000|0.000000|3.870000|NQWB||MLCO|||||||2811000015|  
T|10/08/2003|12:20:50|10/08/2003|12:21:21|HRHO.GA|413627AD2|S|P|1000.0000|108.37500|0.000000|3.812000|NQWB||C|||||||2811000016|  
T|10/08/2003|12:47:15|10/08/2003|12:47:46|HRHO.GA|413627AD2|S|A|100.0000|108.25000|0.125000|3.812000|NQWB||C|||||||2811000017|  
N|10/08/2003|12:47:15|10/08/2003|12:49:11|HRHO.GA|413627AD2|S|A|100.0000|108.25000|0.125000|3.812000|NQWB||C|||||||2811000017|  
W|10/08/2003|12:47:15|10/08/2003|12:49:11|HRHO.GA|413627AD2|S|A|200.0000|108.25000|0.125000|3.812000|NQWB||C|||||||2811000018|  
T|10/08/2003|08:17:02|10/08/2003|13:05:04|HRHO.GA|413627AD2|S|P|900.0000|108.25000|0.000000|3.870000|NQWB||C|||||||2811000019|  
T|10/08/2003|09:03:01|10/08/2003|13:07:34|HRHO.GA|413627AD2|S|P|2000.0000|108.25000|0.125000|3.812000|NQWB||C||W|||2811000020|  
T|10/08/2003|14:55:11|10/08/2003|14:55:16|HRHO.GA|413627AD2|S|P|1000.0000|108.25000|0.000000|3.870000|NQWB||C|||||||2811000024|  
T|10/07/2003|11:46:49|10/08/2003|14:58:14|HRHO.GA|413627AD2|B|P|1000.0000|108.37500|0.000000|4.003000|NQWB||C||Y|||||2810000004|  
T|10/08/2003|15:00:00|10/08/2003|15:00:05|HRHO.GA|413627AD2|S|P|1000.0000|108.37500|0.000000|3.812000|NQWB||C|||||||2811000025|  
T|10/08/2003|15:01:20|10/08/2003|15:01:46|HRHO.GA|413627AD2|S|A|250.0000|108.25000|0.125000|3.812000|NQWB||C|||||||2811000026|  
T|10/08/2003|08:17:02|10/08/2003|15:03:08|HRHO.GA|413627AD2|B|P|900.0000|108.25000|0.000000|3.870000|NQWB||C|||||||2811000005|  
T|10/08/2003|09:03:01|10/08/2003|15:06:04|HRHO.GA|413627AD2|B|P|1500.0000|108.25000|0.125000|3.927000|NQWB||C||W|||2811000006|  
T|10/08/2003|13:06:05|10/08/2003|15:08:09|HRHO.GA|413627AD2|S|P|3000.0000|108.37500|0.000000|3.812000|NQWB||C||W|||2811000027|  
T|10/08/2003|15:36:42|10/08/2003|15:35:47|HRHO.GA|413627AD2|S|P|250.0000|107.90000|0.000000|4.058000|NQWB||C||C|||2811000029|  
T|10/08/2003|09:05:03|10/08/2003|15:40:45|HRHO.GA|413627AD2|S|P|50.0000|108.75000|0.000000|3.640000|NQWB||C||S|LD|||||2811000033|

**Figure 4.8 – Trade Report Data Results – Pipe Delimited**

St.	Execution Date Time	Reporting Date Time	Issue Symbol	CUSIP	B/S	Cap	Volume	Price	Comm.	Yield	Reporting RPID	Contra CPID	As-of Rev
N	10/08/2003 11:25:00	10/08/2003 11:46:50	HRHO.GA	413627AD2	S	P	1000.0000	108.25000	0.000000	3.870000	NQWB	MLCO	
	BR Seq#	Ref#					Cntr# 2811000014		Mod 1		Mod 2		SPI
T	10/08/2003 11:25:00	10/08/2003 11:26:28	HRHO.GA	413627AD2	S	P	1000.0000	108.25000	0.000000	3.870000	NQWB	MLCO	
	BR Seq#	Ref#					Cntr# 2811000014		Mod 1		Mod 2		SPI
T	10/07/2003 17:35:28	10/08/2003 11:38:30	HRHO.GA	413627AD2	B	P	1000.0000	108.00000	0.000000	4.003000	NQWB	C	Y
	BR Seq#	Ref#					Cntr# 2810000002		Mod 1		Mod 2		SPI
W	10/08/2003 11:25:00	10/08/2003 11:46:49	HRHO.GA	413627AD2	S	P	1500.0000	108.25000	0.000000	3.870000	NQWB	MLCO	
	BR Seq#	Ref#					Cntr# 2811000015		Mod 1		Mod 2		SPI
T	10/08/2003 12:20:50	10/08/2003 12:21:21	HRHO.GA	413627AD2	S	P	1000.0000	108.37500	0.000000	3.812000	NQWB	C	
	BR Seq#	Ref#					Cntr# 2811000016		Mod 1		Mod 2		SPI
T	10/08/2003 12:47:15	10/08/2003 12:47:46	HRHO.GA	413627AD2	S	A	100.00000	108.25000	0.125000	3.812000	NQWB	C	
	BR Seq#	Ref#					Cntr# 2811000017		Mod 1		Mod 2		SPI
N	10/08/2003 12:47:15	10/08/2003 12:49:11	HRHO.GA	413627AD2	S	A	100.00000	108.25000	0.125000	3.812000	NQWB	C	
	BR Seq#	Ref#					Cntr# 2811000017		Mod 1		Mod 2		SPI
W	10/08/2003 12:47:15	10/08/2003 12:49:11	HRHO.GA	413627AD2	S	A	200.00000	108.25000	0.125000	3.812000	NQWB	C	
	BR Seq#	Ref#					Cntr# 2811000018		Mod 1		Mod 2		SPI

**Figure 4.9 – Trade Report Data Results - Formatted**

### Trade Scan Results Fields

#### Status

Status	Description
T	A status “T” represents a trade entry.
C	A status “C” represents a Cancelled transaction.
N	A status “No” represents the No portion of a No/Was transaction, or the incorrect trade entry.
W	A status “W” represents the Was portion of a No/Was transaction, or the corrected trade entry.

#### Execution Date/Time

Displays the date and time the trade was executed.

**Reporting Date/Time**

Displays the date and time the trade was reported to TRACE.

**Issue Symbol**

Displays the NASD symbol of the bond.

**CUSIP**

Displays the CUSIP of the bond.

**Buy/Sell**

Indicates whether the trade was reported as a Buy or a Sell.

**Cap**

Displays the capacity of the transaction, "P" for Principal, "A" for Agent.

**Volume**

Displays the quantity of bonds traded expressed as number of bonds, not par value.

**Price**

Displays the price at which the trade was executed.

**Comm**

Displays the commission that was reported.

**Yield**

Displays the yield that was reported.

**Reporting RPID/RPGU**

Displays the MPID of the reporting firm and the Give-Up firm (if entered).

**Contra CPID/CPGU**

Displays the MPID of the contra firm and the Give-Up firm (if entered).

**As-Of/Reversal**

Indicates if the trade was reported as an "as-of" report or a reversal report.

**Br-Seq #**

Displays a one to eight character alphanumeric code denoting the branch office and sequence number, if it was entered.

**Ref #**

Displays the reference number created by the reporting firm (if entered).

**Cntrl #**

Displays the unique 10-digit TRACE control number of the trade. The first three digits of the control number denote the Julian (calendar) date, and the last seven digits denote a sequential number assigned by TRACE.

**Mod 1**

Displays the first modifier (if applicable) associated with the trade.

**Mod 2**

Displays the second modifier (if applicable) associated with the trade.

**SPI**

Indicates if a special condition was associated with this trade.

## Chapter 5: Time & Sales

The Time & Sales menu allows you to review disseminated transactions or to download a file of closing prices from the previous day.

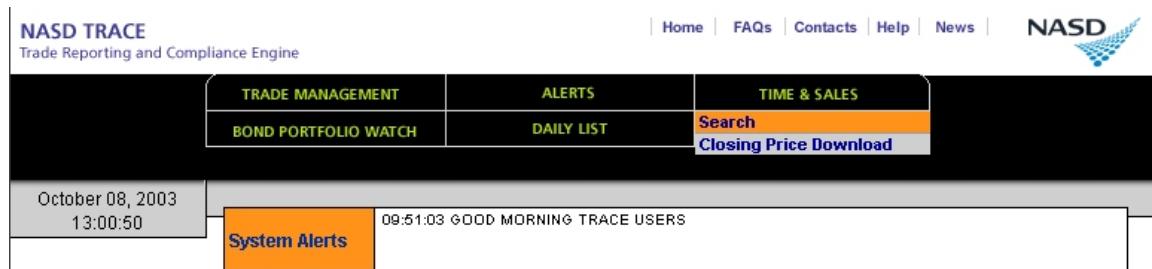


Figure 5.1 – Time & Sales Menu

### Time & Sales Search

Search allows you to view the trade history of any issue for which dissemination is made available by TRACE in real-time, for the current day, a specific day(s) or a specific week(s). No Time & Sales data is available for bonds in which no dissemination is provided by TRACE.

**TIP:** The current list of securities that is eligible for dissemination is available from the Bond Scan option of the Directory Services menu. See Chapter 9: Directory Services.

### Time & Sales Search

NASD Symbol or CUSIP	Statistics
<input type="text"/> <input type="checkbox"/> When Issued	<input checked="" type="radio"/> Trades <input type="radio"/> Daily Summary <input type="radio"/> Weekly Summary
Date Range	Trade Size (par value)
Start: MM / DD / YYYY	<input type="checkbox"/> Greater than or equal to: <input type="text"/> <input type="checkbox"/> Less than or equal to: <input type="text"/> <input checked="" type="radio"/> N/A
End: MM / DD / YYYY	
Sort by	
<input checked="" type="radio"/> Most recent data first <input type="radio"/> Oldest data first	<input type="button" value="Submit"/> <input type="button" value="Clear"/>

Figure 5.2 – Time & Sales Search

### Time & Sales Search Fields

#### NASD Symbol or CUSIP

Enter an NASD symbol or CUSIP number of the bond for which you would like to view the trade history. Click the When Issued check box if the symbol or CUSIP pertains to a When-Issued security.

#### Statistics

- *Trades* - Click this radio button to retrieve trade data of a particular bond. The default selection is the current day's trades. If a start date is provided, more than the current day will be visible.

- *Daily Summary* - Click this radio button to retrieve statistics for a particular bond on a daily basis. At least 90 days may be displayed. A Date Range is required for this selection.
- *Weekly Summary* - Click this radio button to retrieve statistics for a particular bond on a weekly basis. Up to 52 weeks may be displayed. A Date Range that begins on a Monday is required for this selection. If you enter a date that is not a Monday, the system will use the Monday following the date entered.

#### **Date Range**

- *Start Date* - Enter the earliest date of the trade history you would like to view. Without a start date, only the current date will be visible.
- *End Date* - Enter the last date of the trade history you would like to view. By entering the earliest and the latest dates for which you are searching, you can narrow the parameters of your search.

#### **Trade Size**

- *Greater Than Or Equal To* - Click this radio button and enter a trade size to search for trades that are greater than or equal to your entered size (in par value). Enter the trade size in the blank field. For example, to limit your search to only those trades of 500 bonds or more (\$500,000 par value), enter 500000
- *Less Than Or Equal To* - Click this radio button and enter a trade size to search for trades that are less than or equal to your entered size (in par value). Enter the trade size in the blank field.

#### **Sort by**

- *Most Recent Data First* - Click this radio button to view most recent trades first. This is the default selection.
- *Oldest Data First* - Click this radio button to view oldest trades first.

Click the **Submit** button to begin the Time & Sales search, or Click the **Clear** button to clear all search selections.

#### **Time & Sales Search Results: Detail Trades**

[Time & Sales Search](#)

**Issue:** HRHO.GA **HET 7.875** 12/15/05

Execution											
Date	Time	Status	Quantity	Price	Yield	Comm.	Modifier	2nd Mod.	Special	As Of	
10/08/2003	15:38:42:00	T	250000	107.90	4.058		C				
10/08/2003	15:01:20:00	T	250000	108.375	3.812		Y				
10/08/2003	15:00:00:00	T	1000000	108.375	3.812						
10/08/2003	14:55:11:00	T	1000000	108.25	3.87						
10/08/2003	13:20:00:00	T	100000	108.25	3.87						
10/08/2003	13:06:05:00	T	1MM+	108.375	3.812						
10/08/2003	09:05:03:00	T	50000	108.75	3.64		W				
10/08/2003	09:03:01:00	T	500000	108.125	3.927		SLD				
10/08/2003	08:17:02:00	T	900000	108.25	3.87						

**Figure 5.3 – Time & Sales Results Page**

#### **Time & Sales Search Results Fields: Detail Trades**

##### **Issue**

Displays the issue's NASD symbol and description.

##### **Execution Date**

Displays the date the trade was executed.

##### **Execution Time**

Displays the time the trade was executed.

### **Quantity Disseminated**

Displays the disseminated volume for the particular issue. The volume disseminated is displayed in par value (i.e. a reported trade for 500 bonds would be displayed as 500,000). Trades reported for mixed lots (i.e., consisting of whole bonds plus a partial, or “baby bond” of less than \$1,000 par value,) will be rounded down to the nearest whole number (e.g., 20.5 bonds will rounded down to 20 even and will be displayed as 20000. TRACE will always round down for mixed lots.

#### **NOTES:**

**Investment grade debt** – For a reported trade with a par value above \$5 million (more than 5,000 bonds), the quantity disseminated will be displayed as “5MM+”. Investment grade bonds are bonds rated from Aaa/AAA down to and including Baa3/BBB-.

**Non-Investment grade debt (high-yield and unrated debt)** - for a reported trade with a par value above \$1 million (more than 1,000 bonds), the quantity disseminated will be displayed as “1MM+”. High yield bonds are below investment grade bonds with ratings from Ba/BB+ to C/D and split rated bonds (rated investment grade by one rating service and non-investment grade by another, e.g., Ba1/BBB). For purposes of TRACE, unrated (NR or NA) bonds are classified also as Non-Investment grade by the system and are subject to the same dissemination cap.

### **Status**

Status	Description
T	A status “T” represents a trade entry.
C	A status “C” represents a Cancelled transaction.
W	A status “W” represents the Was portion of a No/Was transaction, or the corrected trade entry.

### **Price**

Displays the price at which the trade was executed. Any commissions that were reported as part of the trade will be incorporated into the disseminated price.

### **Yield**

Displays the yield entered by the reporting party or a system-calculated yield. Displays “N/A” if a yield was not supplied by the reporting party and could not be calculated by the system, as in the case of a variable-rate security.

### **Commission (Comm.)**

Displays whether a commission was charged on this transaction. When a commission is charged, it is factored into both the price and the yield. For very small trades, the impact of commission on price/yield can be significant, so this indicator helps explains a potentially aberrant price.

### **Modifier**

The TRACE system can store up to two modifiers on each trade report. The first modifier can be entered by the reporting firm if any conditions apply to the report (weighted average, short settlement, etc.) Some modifiers are determined by the TRACE system itself (e.g. late trade). If no modifier is entered by the reporting party, then TRACE will use the field for any calculated modifiers. If the reporting party does use the modifier field, then TRACE will store a calculated modifier in the 2<sup>nd</sup> Modifier field. Valid first modifiers include:

- *C* - Cash Sale (same day delivery/settlement)
- *ND* - Next Day (next day delivery/settlement)
- *S* - Sellers Option (extended settlement; valid days are 2, 4 to 60)
- *W* – Weighted Average (indicates that the price of the trade was based upon a weighted average of some previous transactions. If a particular trade report is both a weighted average and an odd settlement period (C, ND, S), the weighted average modifier takes precedence.)

- *A* - After Aggregates (for trades reported between 5:15 PM ET, when the daily high, low, and “last” sale are finalized for the day, and 6:30 PM ET, which is system close)
- *SLD* - reported late.

#### **2<sup>nd</sup> Modifier**

Displays the system-appended modifier. Valid second modifiers include:

- *A* - After Aggregates (for trades reported between 5:15 PM ET, when the daily high, low, and “last” sale are finalized for the day, and 6:30 PM ET, which is system close)
- *SLD* - reported late.

#### **Special**

Displays whether the issue was traded under special circumstances that differ from current trading convention for the bond (i.e., a specified trade). Trades that are marked as Special are NOT included in the daily High/Low/Last aggregate figures.

#### **As-Of**

Displays whether the trade was reported on an As-Of basis. Valid values are “Y” (an As-Of trade) or blank (not an As-Of trade).

#### **Time & Sales Search link**

Click this link to return to the Time & Sales Search page.

Time & Sales Search Results: Daily Summary						<a href="#">Time &amp; Sales Search</a>
<b>Issue:</b> HRHO.GA HET 7.875 12/15/05						
<b>Yearly Summary</b>						
<b>High Price:</b> 111.08	<b>High Date Attained:</b> 06/05/2003	<b>Low Price:</b> 94.88	<b>Low Date Attained:</b> 02/28/2003	<b>Most Recent</b>	<b>Most Recent</b>	
<b>Trade Date</b>	<b>High Price</b>	<b>Low Price</b>	<b>Last Price</b>	<b>Price</b>	<b>Yield</b>	
09/25/2003	108.38	108.38	108.38	108.38	3.876886	
09/24/2003	108.26	108.00	108.00	108.00	4.051338	

**Figure 5.4 – Time & Sales Daily Summary**

#### **Time & Sales Search Results Fields: Daily Summary**

##### **Issue**

Displays the issue’s NASD symbol and description.

##### **High Price**

Displays the issue’s highest price for the year, based upon the 5:15 PM ET calculations.

##### **High Date Attained**

Displays the date on which the issue’s highest price occurred for the year, based upon the 5:15 PM ET calculations.

##### **Low Price**

Displays the issue’s lowest price for the year, based upon the 5:15 PM ET calculations.

##### **Low Date Attained**

Displays the date on which the issue’s lowest price occurred for the year, based upon the 5:15 PM ET calculations.

**Trade Date**

Displays the execution date of the trade.

**“Last” Price**

Displays the issue's “last” price of the day reported up until 5:15 PM ET. Although the bond market has no official close, the “last” sale provides an artificial cutoff for market data vendors to close out the day. Trade reports will continue to be disseminated up until 6:30 PM ET, but those trades will be marked with the .A modifier and will not update the market aggregates.

**Most Recent Price**

Displays the issue's most recent price, which may have been reported after the final daily summary calculations at 5:15 PM ET. Most Recent will be the same as “last” unless one or more trade reports are received after 5:15 on the given day.

**Most Recent Yield**

Displays the yield associated with the Most Recent price above.

**Time & Sales Search Results: Weekly Summary**

[Time & Sales Search](#)

**Issue:** HRHO.GA HET 7.875 12/15/05

**Yearly Summary**

High Price:	111.08	High Date Attained:	06/05/2003	Low Price:	94.88	Low Date Attained:	02/28/2003
Week Beginning	High Price	High Date Attained	Low Price	Low Date Attained			
09/22/2003	108.38	09/25/2003	108.00	09/23/2003			
09/15/2003	109.13	09/16/2003	108.25	09/16/2003			

**Figure 5.5 – Time & Sales Weekly Summary**

**Time & Sales Search Results Fields: Weekly Summary****Issue**

Displays the issue's NASD symbol and description.

**Yearly Summary****High Price**

Displays the issue's highest price for the year, based upon the 5:15 PM ET calculations.

**High Date Attained**

Displays the date on which the issue's highest price occurred for the year, based upon the 5:15 PM ET calculations.

**Low Price**

Displays the issue's lowest price for the year, based upon the 5:15 PM ET calculations.

**Low Date Attained**

Displays the date on which the issue's lowest price occurred for the year, based upon the 5:15 PM ET calculations.

**Weekly Summary****Week Beginning**

Displays the first date of the week being summarized.

**High Price**

Displays the issue's highest price for the week, based upon the 5:15 PM ET calculations.

**High Date Attained**

Displays the date on which the issue's highest price occurred for the given week.

**Low Price**

Displays the issue's lowest price for the week, based upon the 5:15 PM ET calculations.

**Low Date Attained**

Displays the date on which the issue's lowest price occurred for the given week.

***Closing Price Downloads***

This page allows you to download a complete list containing the end of day closing prices of all TRACE-reportable securities for which dissemination is provided. Two formats of the list are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column. The files are available after 9:15 p.m. ET following each business day and will be replaced each night by the next business day's file.

***Closing Price Downloads***

List	Format	List	Layout	File Date
Closing Price Report (w) CUSIP	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	7/4/2003 10:15:05 PM
Closing Price Report (w) CUSIP	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	7/4/2003 10:15:07 PM

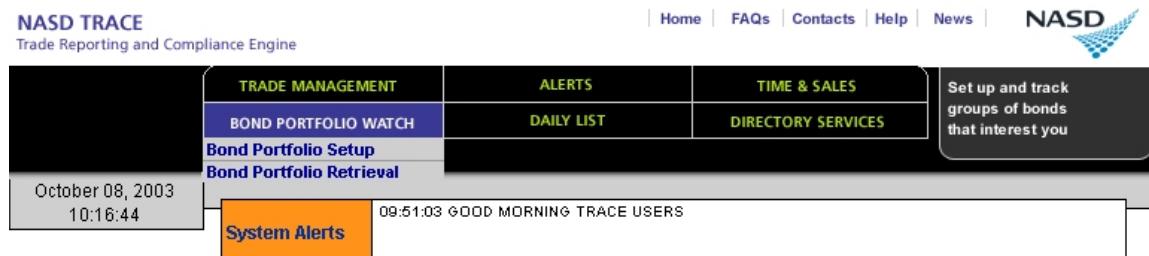
**Figure 5.6 – Closing Price Downloads**

To download a list, click on the **Download** link in the List column. The list provided to you will either contain CUSIP numbers or not, depending on whether your firm has demonstrated to NASD that your firm has a CUSIP Daily License in effect. The process for verifying your firm's possession of a Daily License is described in Appendix II of the "FTP Download Technical Specifications" document and also in the TRACE Web site FAQs/Agreements section ([http://www.nasd.com/mkt\\_sys/trace\\_faqs\\_agree.asp](http://www.nasd.com/mkt_sys/trace_faqs_agree.asp).) If your firm is identified as owning a Daily License, the files accessible to you will contain CUSIP numbers. Otherwise, the lists will not contain CUSIP numbers but will show NASD proprietary reporting symbols.

The list will provide high price, low price, closing price (as of 5:15 pm ET) and the associated yields for each bond that traded during the day. If a particular bond did not trade, and the system knows a previous "close", then a historical closing price and yield will be populated along with the date of that price.

## Chapter 6: Bond Portfolio Watch

The Bond Portfolio Watch Menu allows you to create and maintain lists of disseminated securities that you wish to monitor and then quickly take you to historical pricing data for those portfolios.



## Figure 6.1 – TRACE Portfolio Watch Home Page

## ***Bond Portfolio Setup***

The Bond Portfolio Setup allows you to create your own bond portfolios, each containing up to 50 different securities. Creating a portfolio of securities allows you to quickly view historical price information for the whole group, rather than having to look them up one at a time. A maximum of 8 portfolios may be created.

**Figure 6.2 – Bond Portfolio Setup**

## ***Creating a Bond Portfolio***

To create a new portfolio, click on the Select/Add Group dropdown, and select “**Add New Group**”. A window will appear, asking you to enter the name of your group.



**Figure 6.3 – New Group Name Window**

Enter a name for the group of 8 characters or less, then click on OK. The name will be put into the Group Name box, and you will be given a message that at least one security is required to create the group.

Enter up to 50 NASD symbols or CUSIPs to be defined in your portfolio in the boxes provided, then click on the **Submit** button at the bottom of the screen. Your group will be created. You can create up to a total of eight groups by following the same steps.

### ***Changing the Name of a Group***

Select the group that you want to change in the Select/Add Group dropdown, then click on the **Edit Group Name** button. A window will appear, asking you to enter the new group name.



**Figure 6.4 – Edit Group Name Window**

Enter the new name for the group, then click on the OK button. The group name will be changed.

### **Bond Portfolio Retrieval Link**

Click on this link under the masthead to retrieve existing portfolios.

Click the **Submit** button to submit your selections to your portfolio or click the **Clear** button to clear all selections.

### ***Bond Portfolio Retrieval***

This page is used to allow you to select from the different portfolios you have set up. Select the portfolio by clicking on one of the Group Names to display information about the bonds within that portfolio. Click on the desired group name to view the results for that group.

#### **Choose Portfolio Group**

Choose the Portfolio Group you wish to view.

[Energy](#)  
[Finance](#)  
[Telecom](#)

**Figure 6.4 – Choose Portfolio**

## Bond Portfolio Retrieval Search Results

This page displays available information for the securities in the selected portfolio. It contains the bond's short description, (NASD symbol, issue name, coupon, maturity date), Last Sale Price and Yield, High and Low Price and Yield, Most Recent Price and Yield, and the Net Change in Price from the previous "close".

### Portfolio Results

Issue: 00130HAQ8 AES.GG AES CORPORATION (THE) 9.50 06/01/2009										Time and Sales		Descriptive Data	
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change			
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield			
09/25/2003	99.00	9.727	99.00	9.727	98.25	9.904	9/25/2003	99.00	9.727	-3.25			
Issue: 008685AC3 AHO.GC AHOOLD FINANCE U.S.A., INC. 8.25 07/15/2010										Time and Sales		Descriptive Data	
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change			
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield			
09/25/2003	107.50	6.847479	108.00	6.758582	105.00	7.30	9/25/2003	107.50	6.847479	-0.3125			
Issue: 018606AD5 AIQ.GA ALLIANCE IMAGING INC. 10.375 04/15/2011										Time and Sales		Descriptive Data	
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change			
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield			
09/25/2003	104.0625	9.415205	104.0625	9.415205	103.75	9.487154	9/25/2003	104.0625	9.415205	-0.1875			
Issue: 01958XAQ0 AWAS.GE ALLIED WASTE NORTH AMERICA INC 10.00 08/01/2009										Time and Sales		Descriptive Data	
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change			
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield			
09/25/2003	108.625	6.177999	111.00	2.575468	108.25	5.689	9/25/2003	108.625	6.177999	-0.375			
Issue: 023135AF3 AMZN.GC AMAZON.COM, INC. 4.75 02/01/2009										Time and Sales		Descriptive Data	
Last Sale/ High/ Low	Last Sale		High		Low		Most Recent			Net Change			
	Date	Price	Yield	Price	Yield	Price	Yield	Date	Price	Yield			
09/25/2003	96.50	5.515	98.125	5.15496	95.50	5.627	9/25/2003	96.50	5.515	-1.00			

**Figure 6.5 – Portfolio Retrieval Results**

In addition, there are two links on the right-hand side of the page for each security returned.

**Time and Sales** – clicking on this link will take you to the Time and Sales Search page as described in Chapter 5, pre-filling in the selected security in the "NASD Symbol or CUSIP" box.

**Descriptive Data** – clicking this link will take you to the **Detailed Bond Information** page, which provides additional security data from the TRACE security master file such as bond type, coupon type, redemption features, call schedule, etc.

## **Detailed Bond Information**

This page provides some basic descriptive data for each of the securities on the TRACE securities master file.

<b>Detailed Bond Information</b>	<b>Call Schedule</b>	
	<b>Next Call Date</b>	<b>Call Price</b>
<b>NASD Symbol:</b> AWAS.GE	08/01/2004	105.00
<b>Issue:</b> AW 10.000 08/01/09 '04 08/01/2009	08/01/2005	103.333
<b>CUSIP:</b> 01958XAQQ	08/01/2006	101.666
<b>Bond Type:</b> SENIOR SUBORDINATED NOTE	08/01/2007	100.00
<b>Moody/S&amp;P Rating</b> B2 B+	08/01/2008	100.00
<b>Payment Frequency:</b> Semiannually		
<b>Industry:</b> SERVICES		
<b>Industry Subsector:</b> Service - Other		
<b>Coupon Type:</b> Fixed:Plain Vanilla Fixed Coupon		
<b>Callable:</b> Y		
<b>Other Features:</b>		

**Figure 6.6 – Detailed Bond Information**

## Chapter 7: System Alerts

System Alerts are messages generated to quickly notify you of system and market warnings. System Alerts will notify you of system-related issues, such as system open, early close, and administrative broadcast messages, as well as trading-related issues, such as halts, etc., on a particular security. The System Alerts page is reached by clicking on the Alerts menu option on the menu bar. The resulting page will list all the alert messages broadcasted for the current date.

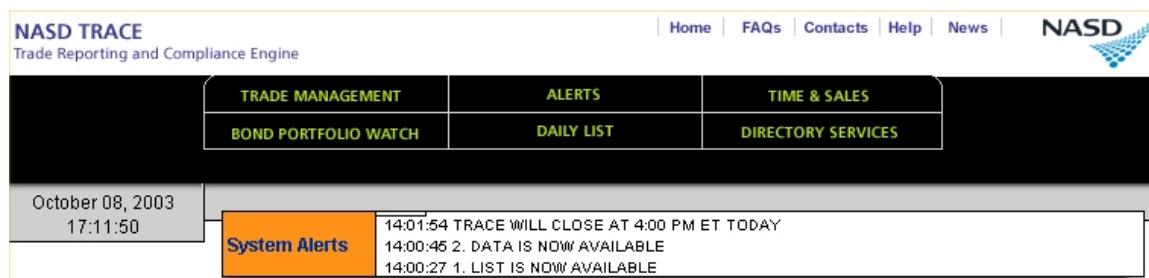
### System Alerts

#### System Alerts

Sequence	Time	Message
3	04:56:01	THE DAILY LIST IS NOW AVAILABLE
2	12:30:00	TRACE WILL CLOSE AT 1:00 P.M. ET TODAY
1	09:00:00	TIME AND SALES DATA IS NOW AVAILABLE

Figure 7.1 – System Alert History

System Alerts are also viewable on every page just beneath the Menu Bar in the yellow box. The most recent messages will repeatedly scroll in this box. Clicking on the “System Alerts” text on the left-hand side of the box will also take you to the System Alerts page described above.



The screenshot shows the NASD TRACE website interface. At the top, there is a navigation bar with links for Home, FAQs, Contacts, Help, and News, along with the NASD logo. Below the navigation bar is a menu bar with options: TRADE MANAGEMENT, ALERTS, TIME & SALES, BOND PORTFOLIO WATCH, DAILY LIST, and DIRECTORY SERVICES. On the left side, a timestamp box displays "October 08, 2003 17:11:50". To the right of this is a yellow box containing the text "System Alerts". Below this yellow box is a scrollable area showing a list of system alerts:

14:01:54 TRACE WILL CLOSE AT 4:00 PM ET TODAY
14:00:46 2. DATA IS NOW AVAILABLE
14:00:27 1. LIST IS NOW AVAILABLE

Figure 7.2 – Scrolling System Alerts

## Chapter 8: Daily List

The Daily List is a summary of the additions, deletions, and symbol changes made to the TRACE securities master file on a given day. This can give you a “heads up” on changes in your trade reporting responsibilities. Clicking on the Daily List menu item will take you directly to the most recent Daily List available. You can view previous Daily Lists by clicking on the yearly links at the upper-right part of the page.

Clicking on a year will take you to the **Daily List Index** page containing a summary of all of the Daily Lists for that year that you can view or download.

### ***Daily List Index***

NASD TRACE Daily List Index			
Daily Lists For 2003			
October 8, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/8/2003 5:31:15 PM)
October 7, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/7/2003 6:05:12 PM)
October 6, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/6/2003 5:57:42 PM)
October 3, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/3/2003 5:32:01 PM)
October 2, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/2/2003 6:06:51 PM)
October 1, 2003	<a href="#">View</a>	<a href="#">Download</a>	(Updated: 10/1/2003 5:49:55 PM)

**Figure 8.1 – Daily List Index**

To view a particular Daily List, click on the View link for the desired date. You will be taken to the **Daily List Detail** page for the selected date.

### ***Daily List Detail***

This page provides a detailed list of bonds that have been added to, deleted from, or modified in the TRACE security master file for the current day. Although security additions are performed during the day, mandatory transaction reporting would not be effective until the following business day.

**NASD TRACE Daily List Index**
**2003**
**2002**
**Bond Market Changes for Wednesday, September 10, 2003**
**Security Additions**

Symbol	CUSIP	Company Name	Rate	Maturity Date	Description	Effective Date	Dis
GP.HH	373298BZ0	GEORGIA-PACIFIC CORP.	9.375	02/01/2013	CO GUAR	09/11/2003	
BK.KN	06406JDJ1	BANK OF NEW YORK CO., INC.	5.850	09/17/2018	SUB NTS	09/11/2003	
JPM.SO	4662A0DC2	JPMORGAN CHASE BANK	Float	01/20/2005	INDEX LNKD NTS	09/11/2003	Y
OLOG.GE	676255AL8	OFFSHORE LOGISTICS, INC.	6.125	06/15/2013	CO GUAR	09/11/2003	
HALOG.IP	40638HEC0	HALOGEN FUNDING CO., LLC	Float	10/01/2004	NTS	09/11/2003	
LEH.SK	524908JE1	LEHMAN BROTHERS HOLDINGS, INC.	0.000	03/10/2010	INDEX LNKD NTS	09/11/2003	
BSC.TP	07387EBE6	BEAR STEARNS CO., INC.	4.000	09/15/2008	SR UNSUB	09/11/2003	
BSC.TQ	07387EBG1	BEAR STEARNS CO., INC.	6.050	09/15/2023	SR UNSUB	09/11/2003	
CCH.GB	1912EQAA0	COCA-COLA HBC FINANCE BV	5.125	09/17/2003	NTS	09/11/2013	
CCH.GC	1912EQAB8	COCA-COLA HBC FINANCE BV	5.500	09/17/2015	NTS	09/11/2003	
CCH.GD	1912EQAC6	COCA-COLA HBC FINANCE BV	5.125	09/17/2013	NTS	09/11/2003	Y
CCH.GE	1912EQAD4	COCA-COLA HBC FINANCE BV	5.500	09/17/2015	NTS	09/11/2003	Y
LNT.GW	461070AA2	INTERSTATE POWER & LIGHT CO.	5.875	09/15/2018	NTS	09/11/2003	
GE.GBS	36962GE26	GENERAL ELECTRIC CAPITAL CORP.	Float	09/18/2006	NTS	09/11/2003	Y
GE.GBT	36962GE34	GENERAL ELECTRIC CAPITAL CORP.	2.750	09/25/2006	NTS	09/11/2003	Y
ONE.QF	06422NHH2	BANK ONE CORP.	Float	09/15/2006	SR NTS	09/11/2003	Y
BSOC.GA	055664AA4	BSC CAPITAL TRUST I	Float	09/30/2033	PRD SECS TR	09/11/2003	
SBKC.GA	83304MAA8	SNB CAPITAL TRUST IV	Float	09/30/2033	PFD SECS TR	09/11/2003	
DCEL.GE	256072AB5	DOBSON COMMUNICATIONS CORP.	N/A	00/00/2013	ACTUAL CPN / MAT TBD	09/11/2003	
DCEL.GF	256072AD1	DOBSON COMMUNICATIONS CORP.	N/A	00/00/2013	ACTUAL CPN / MAT TBD	09/11/2003	
WFC.GA1	949746FH9	WELLS FARGO & CO.	Float	09/15/2006	NTS	09/11/2003	Y
AEP.JZ	744533BE9	PUBLIC SERVICE CO. OF OKLAHOMA	4.850	09/15/2010	NTS	09/11/2003	
BSC.TR	073928B69	BEAR STEARNS CO., INC.	Float	09/15/2006	NTS	09/11/2003	
BSC.TS	073928B77	BEAR STEARNS CO., INC.	Float	09/15/2005	NTS	09/11/2003	

**Security Deletions**

Symbol	CUSIP	Company Name	Rate	Maturity Date	Comments	Effective Date	Dis
CYH.GB	203666AB8	COMMUNITY HEALTH SYSTEMS, INC.	0.000	10/01/2003	CALLED + 1YR	09/11/2003	

**Name/Symbol Changes**

Effective Date	Symbol/CUSIP/Name	Rate	Maturity Date	Dis	New Symbol/CUSIP/Name	New Rate	New Maturity Date	New Dis
09/11/2003	CCH.GA/134422AA2/CAMPBELL RESOURCES, INC.	7.500	07/21/2004		CBLR.GA/134422AA2/CAMPBELL RESOURCES, INC.	7.500	07/21/2004	

**Figure 8.2 – Daily List Detail**
**Daily List Download File**

Clicking on the **Download** link will give you a text-file version of the list that you can save by using the **File/Save As** menu on your web browser.

Daily List Date	Effective Date	Event Type	Event Comment	Bond Symbol	CUSIP	Description	Coupon Rate	Type	Rate	Maturity Date	Dissem	New Bond Symbol	New CUSIP
09/10/2003	09/11/2003	Security Addition	CO GUAR GP.HH 373298BZ0 GEORGIA-PACIFIC CORP. 19.375 FIXED 10/01/2013										
09/10/2003	09/11/2003	Security Addition	SUB NTS BK.EK 06406JD11 BANCO OF NEW YORK CO., INC. 5.85 FIXED 09/17/2018										
09/10/2003	09/11/2003	Security Addition	INDEX LNKD NTS JPM.SO 466240DC2 JPMORGAN CHASE BANK 0 FLOAT 01/20/2005 Y										
09/10/2003	09/11/2003	Security Addition	CO GUAR LOG.OE 676255AL6 OFFSHORE LOGISTICS, INC. 6.125 FIXED 06/15/2013										
09/10/2003	09/11/2003	Security Addition	NTS HALOG.IP 40636HECO HALOGEN FUNDING CO., LLC 0 FLOAT 10/01/2004										
09/10/2003	09/11/2003	Security Addition	INDEX LNKD NTS LEH.SK 524908JE1 LEHMAN BROTHERS HOLDINGS, INC. 0 FIXED 03/10/2010										
09/10/2003	09/11/2003	Security Addition	SR UNSUB BSC.TP 07367EBE6 BEAR STEARNS CO., INC. 4 FIXED 09/15/2008										
09/10/2003	09/11/2003	Security Addition	SR UNSUB BSC.TQ 07367EBG1 BEAR STEARNS CO., INC. 6.05 FIXED 09/15/2023										
09/10/2003	09/11/2003	Security Addition	NTS CCH.GB 1912EQAA0 COCA-COLA HBC FINANCE BV 5.125 FIXED 09/17/2003										
09/10/2003	09/11/2003	Security Addition	NTS CCH.GC 1912EQAB8 COCA-COLA HBC FINANCE BV 5.5 FIXED 09/17/2015										
09/10/2003	09/11/2003	Security Addition	NTS CCH.GD 1912EQAC6 COCA-COLA HBC FINANCE BV 5.125 FIXED 09/17/2013 Y										
09/10/2003	09/11/2003	Security Addition	NTS CCH.GE 1912EQAD4 COCA-COLA HBC FINANCE BV 5.5 FIXED 09/17/2015 Y										
09/10/2003	09/11/2003	Security Addition	NTS LNT.GW 461070A2Z INTERSTATE POWER & LIGHT CO. 5.875 FIXED 09/15/2018										
09/10/2003	09/11/2003	Security Addition	NTS GE.GBS 36962GE26 GENERAL ELECTRIC CAPITAL CORP. 0 FLOAT 09/18/2006 Y										
09/10/2003	09/11/2003	Security Addition	NTS GE.GBT 36962GE34 GENERAL ELECTRIC CAPITAL CORP. 12.75 FIXED 09/25/2006 Y										
09/10/2003	09/11/2003	Security Addition	SR NTS ONE.QF 06422NNH2 BANCO ONE CORP. 0 FLOAT 09/15/2006 Y										
09/10/2003	09/11/2003	Security Addition	PRD SECs TR BSGC.GA 055664AA4 BSC CAPITAL TRUST 0 0 FLOAT 09/30/2033										
09/10/2003	09/11/2003	Security Addition	PRD SECs TR SBKC.GA 83304MAA8 SNS CAPITAL TRUST IV 0 FLOAT 09/30/2033										
09/10/2003	09/11/2003	Security Addition	ACTUAL CPN / MAT TBD DCEL.GE 256072ABS DOBSON COMMUNICATIONS CORP. 0 N/A 00/00/2013										
09/10/2003	09/11/2003	Security Addition	ACTUAL CPN / MAT TBD DCEL.GF 256072AD1 DOBSON COMMUNICATIONS CORP. 0 N/A 00/00/2013										
09/10/2003	09/11/2003	Security Addition	NTS WFC.GAI 949746FH9 WELLS FARGO & CO. 0 FLOAT 09/15/2006 Y										
09/10/2003	09/11/2003	Security Addition	NTS AEP.JZ 744533E9 PUBLIC SERVICE CO. OF OKLAHOMA 4.85 FIXED 09/15/2010										
09/10/2003	09/11/2003	Security Addition	NTS BSC.TS 073928B77 BEAR STEARNS CO., INC. 0 FLOAT 09/15/2005										
09/10/2003	09/11/2003	Security Deletion	CALLED + 1YR.CYH.GB 203666AB5 COMMUNITY HEALTH SYSTEMS, INC. 0 FIXED 10/01/2003										
09/10/2003	09/11/2003	Name/Symbol Change	CCH.GA 134422AA2 CAMPBELL RESOURCES, INC. 7.5 FIXED 07/21/2004  CBLR.GA 134422AA2 CAMPBELL RESOURCES, INC. 7.5										

**Figure 8.3 – Daily List Download File**

Each field is “|” (pipe) delimited. Length shown is the maximum length. All fields starting with the name “new” are empty except when the Event Type is “Name/Symbol Change”.

## Chapter 9: Directory Services

The Directory Services menu has two sub-menu choices, allowing you to access the **Bond Scan** and the **Participant Scan** search pages. These pages will help you find particular bonds or groups of bonds or NASD member firms that are TRACE participants. In addition, this menu allows you to access downloadable versions of the TRACE-eligible securities file and the TRACE market participant file.

Figure 9.1 – Directory Services Menu

### Bond Scan

Select the Bond Scan page to search for a specific bond or many different bonds within the TRACE database by utilizing the various filtering criteria. A downloadable list of TRACE-reportable bonds is also available on this page by clicking on the **Download Reportable Bond List** link.

Figure 9.2 – Bond Scan Search

### Bond Scan Fields

#### Search by Issue

- *NASD Symbol* - Click this radio button to search for bonds using the NASD symbol. Enter the NASD symbol in the blank field on the right.
- *Issuer Name* - Click this radio button to search for bonds by issuer name. Enter the issuer name in the blank field on the right.
- *CUSIP* - Click this radio button to search for bonds by CUSIP number. Enter the 9-character CUSIP in the blank field on the right. You can also enter just a partial CUSIP number (at least the first six characters).
- *N/A* - Click this radio button if none of the above criteria apply to your search. This is the default selection, and can be used to clear out the other radio buttons if you previously had one selected.

- *When Issued* - Check the “When Issued” check box to limit your search on the other fields to include only those securities that TRACE considers to be currently trading WI in the secondary market.

#### **Coupon**

Check the Coupon check box to search for issues using this filtering criterion. Enter the minimum and/or maximum coupon rates of the issue(s) for which you want to search. The TRACE system will search for those issues with coupon rates between and including the minimum and maximum coupon rates entered.

#### **Maturity Date**

Check the Maturity Date check box to search for issues using this filtering criterion. Enter the minimum and/or maximum maturity date range of the issue(s) for which you want to search. The TRACE system will search for those issues from, to, and including the end date of the range.

#### **Rating**

Check the Rating check box to search for issues using this filtering criterion. Click the drop-down arrow to select the minimum and/or maximum Moody’s and S&P bond ratings. The TRACE system will search for those issues from, to, and including the last selected ratings in the range.

#### **PORTAL designation**

Check the PORTAL check box to search for TRACE-eligible 144A debt issues that are PORTAL-designated.

#### **Download Reportable Bond List**

Click this link to retrieve the Reportable Bond List screen for downloading or viewing a list of the TRACE-eligible securities. Note: Those wishing to view the full TRACE-reportable list with CUSIP numbers must secure a CUSIP daily license. Numbers are the property of the American Bankers Association (“ABA”) and are administered by Standard and Poor’s CUSIP Bureau.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

#### **Bond Scan Results**

The Results page displays the relevant identifying information of the selected securities. The display fields are CUSIP, Symbol, Bond Status, Issuer Name, Description, Coupon, Maturity Date, Dated Date, and Moody’s/S&P ratings.

Results									
CUSIP	Symbol	Stat	Issuer Name	Description	Coupon	Maturity Date	Dated Date	Moody's / S&P	
00130HAU9	AES.GI	Actv	AES CORPORATION (THE)	SENIOR UNSECURED NOTE	8.875000	02/15/11	02/09/01	B3 /B-	

**Figure 9.3 – Bond Scan Results**

**TIP:** By clicking on the actual CUSIP number or NASD Symbol of a bond, you will be taken directly to the Trade Entry page, where you can enter the trade details for the CUSIP or Symbol you have selected.

### Download Reportable Bond List

This page allows you to download a complete list of all TRACE-reportable securities. Two formats of the list are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column.

<b>Available Downloads</b>				
<b>List</b>	<b>Format</b>	<b>List</b>	<b>Layout</b>	<b>File Date</b>
Mandatory Reporting List (w) CUSIP	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	10/8/2003 5:00:43 AM
Mandatory Reporting List (w) CUSIP	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	10/8/2003 5:00:54 AM

**Figure 9.4 – Download Reportable Bond List**

To download a list, click on the **Download** link in the List column. The list provided to you will either contain CUSIP numbers or not, depending on whether your firm has demonstrated to NASD that your firm has a CUSIP Daily License in effect. The process for verifying your firm's possession of a Daily License is described in Appendix II of the *"FTP Download Technical Specifications"* document and also in the TRACE Web site FAQs/Agreements section ([http://www.nasd.com/mkt\\_sys/trace\\_faqs\\_agree.asp](http://www.nasd.com/mkt_sys/trace_faqs_agree.asp)). If your firm is identified as owning a Daily License, the files accessible to you will contain CUSIP numbers. Otherwise, the lists will not contain CUSIP numbers. The second-to-last column indicates whether the PORTAL designation applies (Y/N). The last column in each record indicates whether the issue is subject to dissemination (Y/N).

### Participant Scan

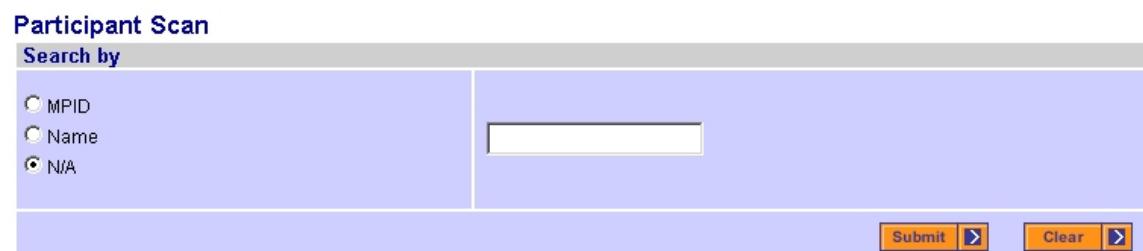
Select the Participant Scan page to search for TRACE market participants with their listed clearing broker numbers. A downloadable Participant list is also available on this screen by clicking the *Download Participant List* link.

**Participant Scan**

**Search by**

MPID  
 Name  
 N/A

**Submit**  **Clear** 



**Figure 9.5 – Participant Scan**

### Participant Scan Fields

#### Search by

- *MPID* - Click this radio button to search for market participants by their NASD Market Participant Identifier (MPID). Enter the MPID in the blank field, then Click Submit.
- *Name* - Click this radio button to search for market participants by Name. Enter the participant name in the blank field, then Click Submit.

- *N/A* - Click this radio button if the MPID or the market participant's name is not known. This selection will retrieve all participants, and can be used to clear out the other two radio buttons if you previously selected one of them.

### **Download Participant List**

Click this link to retrieve the Download Participant List screen for downloading or viewing a list of the TRACE participants and their MPIDs.

Click the **Submit** button to begin search, or click the **Clear** button to clear all selections.

### ***Participant Scan Results***

**Participant Scan**

Search by	
<input checked="" type="radio"/> MPID <input type="radio"/> Name <input type="radio"/> N/A	<input type="text" value="b"/>
<input style="border: 1px solid orange; background-color: orange; color: white; padding: 2px 10px;" type="button" value="Submit"/> <input style="border: 1px solid orange; background-color: orange; color: white; padding: 2px 10px;" type="button" value="Clear"/>	

[Download Participant List](#)

**Results**

Firm Name	MPID	Major CLR#	CLR#2	CLR#3	CLR#4	CLR#5
BANC OF AMERICA SECURITIES	BACC					
INVESTMENT PARTNERS INC	BAII					
BANKERS & INVESTORS CO	BAIN					
JAMES BAKER & ASSOC LTD PTSHP	BAKR					
BALENTINE & COMPANY	BALE					
BALFOUR INVESTORS CORPORATION	BALF					
BALLEW INVSTM'T INC	BALL					
BALDWIN ANTHONY SECURITIES, INC.	BAMC					
BROKERAGEAMERICA, LLC	BAMM					
BANC ONE SECURITIES CORPORATION	BANC					
BROADBAND CAPITAL MANAGEMENT, LLC	BAND					
PRIMEVEST FINANCIAL SERVICES	BANK					
QUANTUM CAPITAL CORP	BANX					
BRNETT	BARB					
BARCLAY INVESTMENTS INC	BARC					
BAIRD (ROBERT W.) & CO. INCORPORATED	BARD					
BARRIGER & BARRIGER	BARG					
BARRETT & COMPANY	BARR					
ING BARINGS FURMAN SELS LLC	BARS					
BARWELL SECURITIES CORP	BARW					

[More](#)

**Figure 9.6 – Participant Scan Results**

### ***Participant Scan Results Fields***

#### **Firm Name**

Displays the full name of the Market Participant.

#### **MPID**

Displays the NASD Market Participant Identifier.

**Major CLR #**

Displays the Market Participant's major (default) clearing broker number.

**CLR #2**

Displays the Market Participant's second clearing broker number, if it was provided.

**CLR #3**

Displays the Market Participant's third clearing broker number, if it was provided.

**CLR #4**

Displays the Market Participant's fourth clearing broker number, if it was provided.

**CLR #5**

Displays the Market Participant's fifth clearing broker number, if it was provided.

Click the **More** button at the bottom of the page to see additional participants.

***Download Participant List***

This page allows you to download a complete list of all TRACE participants. Two formats of the list are provided: Fixed Field or Pipe Delimited. File layouts for each format are viewable by clicking on the **View** link in the Layout column. To download a list, click on the **Download** link in the List column.

**Participant Downloads**

List	Format	List	Layout	File Date
Participant List	Fixed Field	<a href="#">Download</a>	<a href="#">View</a>	
Participant List	Pipe Delimited	<a href="#">Download</a>	<a href="#">View</a>	

**Figure 9.7 – Download Participant List**

ADVS|ADVEST, INC.|  
AGED|A. G. EDWARDS & SONS, INC.|  
ASEL|ASIEL & CO.|  
BEST|BEAR, STEARNS & CO.|  
DEAN|DEAN, WITTER, REYNOLDS, INC.|  
FACT|FIRST ALBANY CORPORATION|  
GSCO|GOLDMAN, SACHS & CO.|  
MSCO|MORGAN STANLEY & CO., INC.|  
SALB|SALOMON BROTHERS, INC.|

**Figure 9.8 – Sample Pipe Delimited Participant List**

## Chapter 10: Glossary

### **Agent**

A broker or intermediary authorized by the principal party to execute trades on its behalf with a third party and for which the trader is paid a commission that is specifically identified on the customer's confirmation.

### **As-Of transaction**

A transaction reported by an NASD member on a date later than the actual transaction date. In TRACE, trades executed after the system closes, between 6:30 p.m. and 11:59:59 p.m. ET, must be reported on the next business day within the timeframe specified in the TRACE Rules as As-Of trades, effective the previous business day. NASD members will be allowed to enter the trade date for an "As-Of" for a period of up to one calendar year. As-Of transactions are not included in the day's market aggregates (i.e., high, low, last sales), but, if eligible, will be disseminated when reported.

### **Automatic Give-Up (AGU)**

AGU transactions can either be one-sided to two-sided. A typical one-sided AGU occurs when a clearing firm executes a trade with one of its correspondents. A two-sided AGU would occur when an NASD member alternative trading system/electronic communications network (ATS/ECN) matches a Buy and a Sell order on its system, creating a "locked-in" trade between the two parties. The trading platform could submit a two-sided AGU trade report to TRACE, indicating both sides of the trade in addition to itself.

### **Cash Sale**

A transaction in which the delivery of securities and payment must occur on the same day that the trade was executed. Denoted by the ".C" modifier.

### **Commission**

Fees paid to a broker for executing a trade as agent based on the number of bonds traded or the dollar amount of the trade.

### **Contra Party**

An NASD member or non-member (either a non-member firm or an end customer) on the other side of the trade. Contra parties that are non-NASD members will be identified with the letter "C" (for Customer). NASD members CANNOT consider other NASD members their customers with respect to TRACE reporting of contra parties.

### **CUSIP**

CUSIP stands for the Council on Uniform Securities Identification Procedures. A CUSIP number is a unique nine-character alphanumeric code appearing on the face of each stock or bond certificate that is assigned to a security by Standard & Poor's Corporation. CUSIP numbers are the property of the American Bankers Association (ABA) and are administered by Standard & Poor's. The number is used to expedite clearance and settlement.

### **Execution Date**

The date on which the trade took place. If the transaction was reported on a later date (an As-Of trade or a Reversal), this field will be populated with the date on which the trade originally took place.

### **Execution Time**

The actual trade time corresponding to the time stamp on the trader's ticket and as reported by the NASD member firm into the TRACE system. If the transaction reported was an As-Of trade or a Reversal, this field will be populated with the time (as well as the date) on which the original trade was executed. In transactions where the price is determined by a spread off a benchmark, the execution time will be considered the time that the benchmark yield is determined.

**High Yield Bond**

A high-yield bond is by definition a “Non-Investment Grade” security under the TRACE Rules. A high-yield bond is a corporate bond that is rated as speculative grade by a nationally recognized statistical rating agency (i.e., Ba1 or lower by Moody’s Investors Services or BB+ or below by Standard & Poor’s Corporation). For purposes of TRACE dissemination, unrated (NR/NA) debt securities are also classified as Non-Investment Grade securities.

**Investment Grade Bond**

A bond rated in one of its four highest generic rating categories by a nationally recognized statistical rating agency (i.e., Baa3 or better by Moody’s Investors Service or BBB- or better by Standard & Poor’s Corporation).

**Last Sale Price**

The “last” sale price reported for the specific bond throughout the day, up until 5:15 p.m. ET. Although the bond market does not have an official close, and can function as long as a trader is willing to deal, for purposes of establishing a historical benchmark at a single point in time, after the bulk of the day’s trading is over, TRACE uses 5:15 p.m. ET, as the cutoff time for determining a “last” sale price. The authentic last reported sale of the day, which includes all disseminated trade reports up until the TRACE system closes at 6:30 p.m. ET is referred to as “Most Recent Price.” *Please see Most Recent Price.*

**Last Sale Yield**

The yield associated with the current last sale price of the day.

**Market Participant**

For purposes of TRACE, an NASD member that is also a TRACE participant.

**Market Participant Identifier (MPID)**

A unique, four-character alphanumeric identifier created by NASD, used to identify an NASD member market participant. The MPID is used to identify the contra party on a trade report.

**Modifier**

Codes used to provide additional qualifying information about a transaction. Modifiers include those to indicate special trade conditions, long or short settlement, or a trade that has been reported late.

**Most Recent Trade Price**

The last price reported for a given bond on a given trade date. The Most Recent Trade Price may have been reported to TRACE after the 5:15 PM ET cutoff time for calculation of daily summary data.

**Next Day Trade**

A transaction for which the delivery of securities and payment must occur on the next business day following the trade execution date. This is also known as “T+1”, or trade date plus one day. Denoted by the “.ND” modifier.

**No/Was Transaction**

A function to correct or update a trade report submitted today. TRACE assigns a new control number to the corrected (“Was”) trade, and changes the status of the incorrect trade to “No”.

**Price**

The reported price for a reported transaction must be inclusive of a mark-up or markdown, but is exclusive of a commission, since a commission is reported in a separate field. TRACE will, however, incorporate the commission into the disseminated price.

**Principal**

Dealers who execute for their own accounts at net prices (prices that include either a markup or markdown). Dealers cannot act as both principal and agent in the same transaction.

### **Quantity**

The size of the trade, also known as the volume, or number of bonds traded. When entering quantity into the NASD TRACE web application, a 50 bond trade (\$50,000 par value) would be entered as "50". A trade for \$1,450 worth of a bond would be reported with a quantity of "1.45". See Chapter 4 for additional guidance on how to report issues with non-standard par values.

### **Reporting Party**

An NASD member firm that is required under NASD Rule 6200 Series to report transactions in eligible corporate securities into TRACE. In the case of "Give Up" transactions, the Reporting Party is the firm submitting the report, and the MPID of the firm responsible for actually reporting would be put into the "Give Up" field.

### **Reversal Transaction**

A trade cancellation for a trade report that was originally submitted into TRACE on a previous date.

### **Seller's Option**

A transaction in which the seller has the right to deliver the security at any time within a specific period, other than Regular Way Corporate (T+3) settlement. When the parties to the transaction agree to a settlement period of either 2 or 4 – 60 days, this modifier is used to indicate the settlement period. The number of days is indicated in the blank box next to the .S modifier.

### **"Sold" Late**

A late trade report indicator, applicable to both buy- and sell-side reports, showing that the trade was reported during current business hours but outside of the mandatory reporting interval outlined in NASD Rule 6200 Series. This modifier is appended to the trade report by the TRACE system itself. Denoted by the ".SLD" modifier.

### **Special Price Flag**

This field denotes trades that were consummated contrary to the current standard convention for the particular bond. Also known as a "specified trade", e.g., when a debt security that conventionally and in the current market is traded at a price that reflects a due bill or warrant, is, in the transaction to be reported, traded as specified without the due bill or warrant, a price deviation from the normal market is to be expected. Note that a trade identified with a "Special Price Indicator" will, if eligible, be disseminated, but will not be incorporated in the calculation of the day's high, low and last price for the security.

### **Symbol**

The unique TRACE regulatory reporting symbol that is assigned to each TRACE-reportable security by NASD Market Operations. Firms can identify the security traded using either the Symbol or CUSIP number.

### **TRACE<sup>SM</sup>**

Under NASD Rule 6200, NASD members are required to report OTC secondary market transactions in eligible fixed income securities to NASD. The Trade Reporting and Compliance Engine (TRACE) is the NASD-developed vehicle that facilitates the mandatory trade reporting of eligible corporate bonds and the public dissemination of market data, subject to certain restrictions.

### **Weighted Average Price**

A transaction in which the price is determined by a weighted average of the prices of prior related transactions. Denoted by the ".W" modifier.

### **When Issued**

A security trading on a “when, as, and if issued” basis. The term refers to a conditional security: one authorized for issuance but not yet actually issued. All “when issued” transactions are on an “if” basis, to be settled if and when the actual security is issued. Note: The term “When Issued” generally connotes transactions taking place in the primary market; however, for purposes of TRACE, which captures secondary market transactions only, “WI” bonds are those generally created as the result of a corporate event, such as reorganization.

### **Yield**

The Yield is the effective rate of return earned on a security expressed as a percentage. TRACE will disseminate the lower of Yield to Call (retirement of the bond at a date prior to maturity) or Yield to Maturity. The call that is used for TRACE is the one that produces the worst yield (excluding sinking fund calls). For certain variable-rate securities, no yield will be displayed.

## Appendix A: Handling of GMAC Zeros Due 2012 and 2015

This information was taken from the TRACE FAQs found on the TRACE website,  
[http://www.nasd.com/mkt\\_sys/trace\\_faqs\\_reporting.asp](http://www.nasd.com/mkt_sys/trace_faqs_reporting.asp)

**How do I report quantity and price for GMAC 0 12/1/12 and GMAC 0 6/15/15? These issues trade on the NYSE in units and in prices expressed in hundreds rather than in bond dollars (representing a percentage of par). If I execute OTC, however, how do I report quantity, price, and yield into TRACE?**

Both the GMAC 0 12/1/12, CUSIP 370424CZ4 (Symbol GMAC.GC) and the GMAC 0 6/15/15 CUSIP 370424DA8 (Symbol GMAC.GD) are exceptions to the norm for reporting to TRACE, since firms may hold these differently on their stock records, and price can also be expressed in multiple ways. Firms typically settle these trades ex-clearing, with settlement necessitating that both parties use the same standards.

Both issues have par values greater than \$1,000 and a final maturity value of \$10,000. On the NYSE both issues are traded in units: 1 unit=\$10,000. For example, if one unit having a maturity value of \$10,000 trades for a contracted value of \$4,950, a price of \$495 for a quantity of 1 unit (or one tenth of the contract amount) would be reported to the exchange. To arrive at the same yield that is posted on the NYSE, market participants can perform a zero-coupon calculation using a workaround solution of entering a dollar price of 49.50 (moving the decimal place an additional place to the left, or one hundredth of the contract amount), which "resembles" bond dollars.

In order to accommodate reporting of these two bonds, the TRACE system adopts the same workaround solution for the calculation of yield to maturity, based upon a "bond like" price (a price under 100). The TRACE system assumes a \$1,000 par; hence, reporting a quantity of 1 (unit) would be disseminated as \$1,000, which would be both incorrect and misleading. Therefore, since each security trades in increments of \$10,000, the reporting party should report a quantity of 10 for each unit traded. When the transaction information is disseminated, the quantity will appear as 10,000. Report yield to maturity (YTM) only. Firms executing OTC transactions in either of these issues should submit their TRACE reports according to the example below. Firms reporting through third party intermediaries should make sure that they can support this methodology; otherwise, reporting will have to be accomplished manually. When reporting through NSCC, the entry should be submitted using a zero-coupon price (e.g., less than 100) and a quantity 10 times the number of units traded (rather than contract amount). The entry should be marked as a "reporting only" report, so that it will not flow through NSCC's comparison system. Any possible submissions to NSCC for comparison in these securities should be done separately from the regulatory report.

**Example:**

1 unit having a maturity value of \$10,000, reported quantity = 10; reported price = 49.50; yield to maturity is determined from this price, using the zero coupon calculation. When disseminated, the quantity reported of 1 unit will appear as 10,000 traded at 49.50 with the corresponding yield to maturity. (To report 4 units, quantity = 40)

**Note:** Report YTM only.

**How to report commission for these issues:**

**Commissions in fractions of a point:** Because the maturity value of each unit is \$10,000, 1 point = \$100, rather than the norm of \$10 for a bond with a \$1,000 maturity value. If the commission charged to the customer is an eighth of a point (.125) on the trade, this represents \$12.50 per maturity value of \$10,000. In this example, enter .125 in the commission field. If, for example, the price of one unit traded is \$4,950 (on

the NYSE: \$495), on TRACE, the price reported is 49.50. Add or subtract the eighth of a point (depending upon whether you sold or bought) to/from the price that will be used to calculate the yield. If selling, the all-inclusive price would be 49.625 (49.50 + .125), with YTM calculated from this price. If buying, the all-in price would be 49.375 (49.50 - .125), with YTM calculated from this price.

**Flat-fee commissions:** If the commission charged to the customer on 2 units of \$10,000 is \$50, and the price of one unit is \$4,950 (on the NYSE: \$495), then the price reported to TRACE is 49.50, and the commission is reported as .25. If selling, add .25 to 49.50 and calculate YTM from an all-in price of 49.75. If buying, subtract .25 from 49.50 giving an all-in price of 49.25 with which to calculate YTM.