

### Entitlement Review

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The purpose of entitlement reviews are to ensure that market data distributors are in compliance with the terms and conditions of their vendor agreements with the Exchange. In addition, by performing reviews both NYSE and the Customer will ensure accurate and timely billing of their subscribers. While most entitlement reviews are limited to the past three years, we reserve the right to go back to inception of date the data was first received.

NYSE reserves the right to terminate your real time market data service for non-response to any aspect of the entitlement review process. After 30 days of non-response following initial review request, termination proceedings will be initiated.

Entitlement reviews are initiated via an email to the customer, and are broken down into two processes outlined below; the Documentation Process and the Management Representation Process.

**Documentation Process** - we require the below within 1 week of the initial audit scope e-mail:

1. **Entitlement System:** An overview of your firm's entitlement control system, and how your firm permissions your user base. The name and version number of the entitlement software generating monthly reports. If you have upgraded/changed your entitlement system during the audit period please include the dates of those changes.
2. **Sign Up Process:** A written overview of the sign up process for your firm's professional and nonprofessional subscribers with a sample of the agreement your firm uses for each, if applicable.
3. **Reporting Process:** Your firm's documented procedures that describe its reporting methods, including at a minimum, the process used to add or remove access to NYSE market data and a description of the connection between the entitlement and reporting databases.
4. **Records:** An example of market data subscriber records, and how those records are stored. Records must include at the subscriber's vendor account number (VAN), legal company name, installation address, and products, activation and deactivation dates of service and quantity permissioned each month for all subscribers. (All records must be maintained for no less than three years from the date service was deactivated.)
5. **Product Confirmation:** NYSE will ask that you confirm the products you have been approved for and have been distributing. We ask that you provide the following:
  - a. Describe how each of your datafeeds is controlled and the applications/services to which they correlate.
  - b. If there are any datafeeds received by your organization that are not listed, we ask that you provide the name of the vendor providing the feed and the respective vendor account number.
  - c. To provide a comprehensive list of all applications that your organization uses to distribute NYSE data.
  - d. To confirm that the product offerings presented to you by NYSE that correspond with your permissioning/distribution packaging.

The Professional and Nonprofessional Reconciliation Activities are due within 2 weeks of the initial audit scope e-mail, encompassing the below information:

- Professional Reconciliation Activities: We require a total database of all internal and external professional and nonprofessional devices as well as datafeeds you are distributing. The reports should cover the entirety of the audit period including the following fields:
  1. User ID
  2. VAN
  3. Legal company name
  4. Installation address
  5. Number of Entitlements (quantity)
  6. Activation Date
  7. De-activation Date
  8. Type of Data (Network A, Network B, OpenBook etc.)

*If you generate your permissioning reports through DACS please submit the User Permission by Exchange with Audit History report. Run all of your products in a single report.*

- Nonprofessional Reconciliation Activities: We require a total database of all internal and external professional and nonprofessional devices as well as datafeeds you are distributing. The reports should cover the entirety of the audit period including the following fields:
  1. User ID
  2. VAN
  3. Legal company name
  4. Installation address
  5. Number of Entitlements (quantity)
  6. Activation Date
  7. De-activation Date
  8. Type of Data (Network A, Network B, OpenBook etc.)
  9. MPID, Trader name or ID used

*For all of your nonprofessional users you will be required to provide their respective responses to the Exhibit B qualifying questions.*

The reports should be e-mailed in a flat record file such as a .xls, .csv, or .txt format.

**Management Representation Process:** Submission of Management Representation Letter and/or the Entitlement Report Review Questionnaire.

In order to conclude the review of your account we require that your organization completes a management representation letter on your company's letterhead as well as the Entitlement Review Questionnaire. These documents are sent along with the scope of your review and cover the datafeeds you're receiving and an attestation by your management that all information has been submitted in good faith.

Once NYSE has completed the reconciliation between records from your entitlement system and what you have previously reported we will provide you with a spreadsheet that contains any discrepancies found. We will ask that you review these discrepancies and comment on them. Since the processing of subsequent files is contingent upon the completion of the reconciliation, we ask that you address all discrepancies within 14 days.

Once any liability is determined and notified by NYSE, the customer has 14 days to respond whether to accept and agree to the liability or not. If no response is provided, NYSE will then invoice the liability.

Payment to the liability is required to be paid in full within 30 days or termination proceedings will be initiated.

Any additional review findings need to be remedied within 90 days of notice. Customer needs to demonstrate compliance as deemed acceptable by NYSE or risk termination proceedings.

**This fact sheet is a summary document intended to set forth the highlights of CTA/CQ policy, rates, and procedures. Questions and/or circumstances not covered in this document should be referred to NYSE for the determination of applicable fees and procedures.**