



Markets

March 15, 2022 – A new Citigroup Global Markets, Inc. (“CGMI”) alternative trading system will be fully operational soon, known as Citi-ONE ATS (the “ATS”). The technology platform of this new ATS will be hosted, operated, and supported by a service provider, Operations and Compliance Network, LLC (“Ocean”), subject to the direction and oversight of CGMI as the broker dealer operator. Some important features of the new ATS include interactions between the ATS and CGMI’s algorithms and smart order router (the “SOR”), described further below. For more comprehensive information regarding the features and functionality of the new Citi-ONE ATS, kindly review the Citi-ONE Form ATS-N (disclosure document) publicly available on the U.S. Securities Exchange Commission (SEC) Form ATS-N Filing and Information page here: <https://www.sec.gov/divisions/marketreg/form-ats-n-filings.htm>.

Once operational, the ATS will, through Ocean and another third-party market data service provider, provide three real-time, continuous data feeds to CGMI’s algorithms and SOR. There are confidentiality agreements in place with Ocean and the other third-party market data service provider that prohibit the use of such data by Ocean and the third-party market data service provider other than to carry out their obligations to CGMI. These data feeds will contain aggregated and anonymized buy and sell information for resting orders (“Orders”) from all Participants in the ATS that are priced at or within the National Best Bid and Offer.

- Aggregated anonymized information about all resting Orders in the ATS will be subject to these data feeds, whether such Orders were sent indirectly via CGMI’s algorithms or SOR or directly by a Participant, and regardless of whether a user is a Client, an Affiliate or Business Unit (trading as agency or principal) of CGMI. Conditional Orders and Market on Close orders are not included in the data feeds.
- These aggregated and anonymized ATS data feeds will include symbol, side (buy or sell), quantity available at or within the NBBO across all Orders in the ATS and a timestamp of the snapshot included on the continuous data feeds from the ATS. The data feeds do not include the timestamp of any individual Order.
- The three data feeds include aggregate quantity represented at three price levels within the NBBO on each side: the bid (buy and sell Orders at the bid price), midpoint (buy and sell Orders at the midpoint price) and offer (sell and buy Orders at the offer price).
- In the event there is only one Order resting in the ATS within the NBBO on a given side of the market for a symbol, that Order will still be included in the relevant data feed. Although information cannot be aggregated in such instances, the data feeds will not reflect that the trading interest is comprised of a single Order, and the Order will be anonymized.
- The data feeds will be provided to the CGMI algorithms and SOR by Ocean and another third-party service provider. The algorithms and SOR will use the data in the feeds solely to make efficient real-time decisions regarding whether and when to route orders to Citi-ONE, and what price conditions and quantity to apply to those orders.
- CGMI may use the data feeds to preference the ATS over other potential routing destinations when CGMI has determined, in accordance with applicable internal procedures, that such routing and preferencing decisions are consistent with CGMI’s best execution obligation.

Users of CGMI’s equity algorithms and SOR may not opt out of having their Citi-ONE resting Orders included in the data feeds that are provided to CGMI’s algorithms and SOR. However, users of CGMI’s algorithms and SOR may request that their orders not be routed to the ATS by contacting their Equities client coverage person and receiving confirmation from CGMI that the request has been completed. Direct Subscribers can determine whether to send Orders to the ATS.

IMPORTANT DISCLOSURES:

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