

US PLIA Standard Questionnaire (January 2021)



#	Section Name	Field Name	Question Text	Supplemental Question Text
1	Algorithmic Trading	Access Description	Describe and outline who has access to see our firm's orders while trading and subsequently post trading.	
2	Algorithmic Trading	Algorithmic Strategies - Listing	List all the algorithmic strategies currently available to your clients. Please include: (a) description/purpose of the strategy (b) how it operates (the material drivers used) (c) parameters specified by the client vs what is determined/defined by the broker (d) the "type" of orders it is best suited to and "type" of orders it should NOT be used for (e) are these strategies customisable by clients	
3	Algorithmic Trading	Firm Algo Classification	Place your firm's algorithms (with or without parameter specifications as necessary) within the following categories: Dark Aggregator, Liquidity Seeking, VWAP, TWAP, Implementation Shortfall, Open, Close, Miscellaneous/Other. Please include as much information as you think is necessary, including any discussion of overlap or ambiguity across categories. Include sector specific strategies (i.e. small cap, ETF) within the categories and indicate as such.	
4	Algorithmic Trading	Algo Ownership	Are your algorithmic trading strategies for clients proprietary developed in-house (Yes) or do you utilize (white label) third-party products (No)?	If No, please list each strategy and who owns or developed the strategies
5	Algorithmic Trading	Electronic Security Measures	What physical and electronic security measures are in place to minimise the risks of attacks against the algorithmic trading platform and prevent unauthorised access? Please include: (a) description of your operational risk framework and IT security reviews (b) how duties are segregated (c) a description of your access control process (d) a description of your process to prevent future reoccurrence	
6	Algorithmic Trading	Primary Or Consolidated Data	Do your algorithmic strategies reference primary or consolidated volume data (for example, in a POV algo or an algo with percentage of volume guardrails)? Please detail the venues and trade condition codes included in the calculation, and describe which types of trading volume are excluded from your	
7	Algorithmic Trading	SOR and Algo Separation	Is there a clear separation between the algorithm and SOR functionality, code base, infrastructure, etc. (Y/N)?	If No, please describe how the different parts of the system interact and make execution decisions. Please provide a diagram illustrating how they interact and where different functionality is located.
8	Algorithmic Trading	Algo Controls	Describe any control exercised by algos (as opposed to the decision made by the SOR) as to venue type (e.g. exchange, ATS, SI, MTF) and venue when routing orders. Is there any ability for the client to control how the algos select venues?	
9	Algorithmic Trading	Parent Level Crossing	Can algorithm orders cross/match at the parent order level or on a scheduled basis? If so, does this happen at the desk-level, or is it within a Centralized Risk Book or similar facility? If applicable, please provide details on when/how this would trigger.	
10	Algorithmic Trading	Automatic Speed Logic	Do different clients have access to different (e.g., lower latency, higher throughput) market data feeds or order entry gateways/links depending on the client type, commission paid or volume traded (Y/N)?	If Yes, please explain.
11	Algorithmic Trading	Algo Order Types	If any of your algorithms utilise closing auction facilities, please indicate which algorithms and order types that are used. (ii) Please describe which venues you route to (iii) Do you have safeguards in place to limit participation in auction facilities in the presence of large imbalances?	
12	Algorithmic Trading	Trade at Last	Please describe which "Trade At Last" venues your algorithms route to post the closing auction? For our firm, is this on an opt-in or opt-out basis?	
13	Algorithmic Trading	SOR Performance	Explain the process for maintaining and improving an algorithmic strategy or SOR's performance, including how regularly you make changes to the variables/factors driving the algorithmic strategy and how you communicate and/or get client approval of changes.	
14	Algorithmic Trading	Central Risk Book	Do your algos electronically access your CRB. If so, can clients opt-out?	If Yes, please provide details
15	Algorithmic Trading	CRB Profiling	Do you use profiling metrics/tools in your CRB?	
16	Algorithmic Trading	High Touch Only Algorithms	Do high-touch traders use the same algos when executing clients' orders (Y/N)?	If No, please explain the differences.
17	Algorithmic Trading	Definition of Dark (US)	For your liquidity aggregation algorithm, what proportion of dark trading did it capture in the previous six months in the US? Please confirm your definition of 'dark trading' as part of this answer.	
18	Algorithmic Trading	Conditional Orders	Explain in detail your use of conditional orders including venues, participants (human/algo), invitations, firm-ups, scoring, fall-downs, trade-aways, and execution strategies.	
19	Analytical Capabilities	TCA Capabilities	Please describe as comprehensively as possible your TCA capabilities. Include whether you can offer TCA real-time.	
20	Analytical Capabilities	TCA - Internal or 3rd Party	Is your TCA product internally created or do you utilise a third-party?	If you use a third party TCA provider, who is it and is client attribution information included in the trade data?

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21	Analytical Capabilities	TCA Post-Trade Analysis	Do you provide post-trade analysis detailing the venues you have traded with (Y/N)?	If No, please explain why?
22	Analytical Capabilities	TCA Peer Data	If you use a third party TCA provider, do they aggregate any of your client's data into their "Peer Analysis"? How long have you had a relationship with this third party TCA provider? If you had a prior third party TCA relationship, who was it and why did you make a change?	
23	Audit	Audit Date	When was your trading function last (a) Internally audited (b) Externally audited?	Please describe the findings and the name of the external auditor.
24	Audit	Independent Auditor	Does your firm have any independent auditor statements or reports regarding segregation of information between different areas (Y/N)?	If Yes, please describe the findings and the name of the external auditor.
25	Best Execution and Venue Selection	SOR - Timing	Please explain how your SOR controls the timing of child orders when sending orders to multiple venues.	
26	Best Execution and Venue Selection	SOR - Routing description	Please describe how your SOR routes orders (including but not limited to timing, sequencing and price reversion).	
27	Best Execution and Venue Selection	Client Venue - Opt Out	Do you allow clients to instruct you not to route our orders to a particular venue (Y/N)?	If No, please explain why.
28	Best Execution and Venue Selection	SOR Inbound Procedures	How do you ensure prompt processing of incoming electronically transmitted orders received by your desks? If you have it, please provide a report detailed response-time distribution.	
29	Best Execution and Venue Selection	Client Flow - Opt Out	Is it possible for clients to opt out of trading against specific types of flow that participate within any of your execution venues (Y/N)?	If Yes, please list the types of flow and criteria for inclusion.
30	Best Execution and Venue Selection	SOR Latency - Monitoring connectivity	How do you monitor latency of order routing and market data connectivity to exchanges, and how does this impact routing?	
31	Best Execution and Venue Selection	Routing Practices - Restrictions/caps	Do you place any restrictions or caps on the percentage of your client flow that is eligible for routing to a particular venue (Y/N)?	If Yes, what are the determining factors for those restrictions or caps?
32	Best Execution and Venue Selection	SOR - List of venues	Please provide a categorized list of all execution venues (ATs, RMs, MTFs, SIs, market makers, other liquidity providers) that your algorithmic strategies and/or SOR currently access. Also indicate which venues where you conditionally represent client orders.	
33	Best Execution and Venue Selection	Venues	List all the venues you access where you are not a member and access via a third party?	
34	Best Execution and Venue Selection	Routing Practices - Ownership in venues	Do you have any ownership stakes or interests in trading venues (Y/N)?	If Yes, please list venue and percentage owned. Please provide a copy of any policies designed to prevent conflicts-of-interest in routing to these venues.
35	Best Execution and Venue Selection	Venue Selection - No posting/taking	Are there venues you do not connect to, or connect to but where your firm does not post or take liquidity (Y/N)?	If Yes, please describe why.
36	Best Execution and Venue Selection	SOR Venue Selection Procedure	Please explain the process for switching off a venue or adding a venue, the frequency of such actions, and at what point this would be communicated to the client. What material do you request, such as policies and procedures, and third-party audits? Do you require any attestations in lieu of direct examination or evidence? If you have a process for switching off a venue, please describe the process and criteria used to switch it back on. If you neither add nor remove venues, please explain why.	
37	Best Execution and Venue Selection	Venue Preferences	Do you in any way preference one venue over another due to a more favourable outcome to your firm (i.e. lower exchange fees, shareholdings in specific venues, payment for order flow) (Y/N)?	If Yes, please describe why.
38	Best Execution and Venue Selection	Volume Tiers	Do you change routing preferences in order to meet volume tiers to reduce your costs or do you route to third-parties to leverage their achieved volume tiers with exchanges/venues?	
39	Best Execution and Venue Selection	Venue Evaluation	Is internal and external venue evaluation consistent (Y/N)?	If No, please describe the differences.
40	Best Execution and Venue Selection	Client Tiers	Please describe how you regularly maintain analysis of client "tiers" and how often changes are made.	
41	Best Execution and Venue Selection	SOR Minimum Fill Size	Please describe your minimum fill size protocol – is there a default? Are they dynamic per venue? Are they customisable per client request?	
42	Best Execution and Venue Selection	Min Fill Aggregation	On which venues do you access aggregate orders to fulfil minimum quantity? If you access venues which may aggregate competing orders to fulfil minimum quantity, what impact might this have on your order routing decisions?	
43	Best Execution and Venue Selection	Min Fill Opt-out	Do clients have the option to opt-out from the functionality of aggregating orders to fulfil minimum quantity (Y/N).	If Yes, how is the firm treated?
44	Best Execution and Venue Selection	Venue - Cease Trading	Have you ceased trading on a venue for a period of greater than 1 month in the last 5 years (Y/N)?	If Yes, please explain why, how long you ceased trading, and what criteria you used to decide to resume trading.
45	Client Confidentiality	Internal Communication - Approach	Describe how your firm internally and/or externally communicates aggregated information about client electronic orders and trading activity intra-day, whether via reports or via data feeds?	
46	Client Confidentiality	Client Confidentiality	Please describe what controls, processes and procedures are in place to ensure client anonymity? If you code clients, how is our firm coded?	If you code clients, how is our firm coded?

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47	Client Confidentiality	Affiliate Controls	Do you execute orders with any affiliates (Y/N)?	If Yes, what additional controls do you have in place to ensure conflicts are managed? What information is disclosed to these affiliates on an aggregated and order-by-order basis?
48	Compliance	Policy Deficiency Reports	Does your compliance department produce an annual written compliance report detailing any material deficiencies noted during the course of a compliance department's review?	If Yes, please describe any material deficiencies noted during the most recent review.
49	Compliance	Desk Segregation	Does your firm physically segregate the personnel servicing High Touch and Low Touch flows (Y/N)?	If Yes, what methods, procedures or controls are in place to prevent the communication of client order information across the trading desks? If No, what is the setup?
50	Compliance	Compliance Checks	Please list and fully explain all mandatory compliance checks and surveillance practices which you use to manage our trading activity? Is there a set framework around this?	
51	Compliance	BrokerCheck	Do any of your electronic trading or algo development employees have disclosures on their FINRA (or non-US regulatory equivalent) BrokerCheck Report?	If Yes, please provide the specific BrokerCheck url(s).
52	Compliance	Deficiencies	Have you ever been censured or fined by FINRA or the SEC? If yes, what remedial efforts were undertaken to correct the deficiency?	If yes, what remedial efforts were undertaken to correct the deficiency?
53	Compliance	Regulatory Deficiencies	During the past year, have any examinations resulted in a material finding of deficiency or breach of regulatory requirements related to your trading operation?	If Yes, please describe the deficiency or breach.
54	Conflicts and Leakage	Affiliate Capabilities	Do you or your affiliate(s) operate a Smart Order Router (SOR)? Does the SOR preference the ATS or affiliate(s)?	
55	Conflicts and Leakage	Order Sharing - Pre-determined allocation	Does the dark pool allow any internal trading desk of the firm, affiliates of the firm, or a 3rd party participant, an opportunity to execute against a pre-determined percentage, quantity, or notional value remaining in an order (i.e., POV, VWAP, etc)?	
56	Conflicts and Leakage	Affiliate Compensation - For order flow	Do you or any affiliate receive direct or indirect compensation from another affiliate for order flow/transmission of customer order information? (Y/N)	If Yes, please describe the nature of any such compensation (e.g., is it fixed or variable based on the number of orders directed over time, etc.).
57	Dark Pool	Internal Dark Pool	Do you operate a dark pool or ATS? If so, please describe the governance framework for monitoring your ATS.	If Yes, what is the Market Identifier Code (MIC – ISO 10383) for this venue?
58	Dark Pool	Counterparty Selection	Do you offer counterparty selection and liquidity profiling? Does our firm need to opt in or out of any particular flow?	
59	Dark Pool	Outbound Orders / IOIs	Do you send orders outbound or publish IOIs from your dark pool?	
60	Dark Pool	Order Type Preference	Do you preference any types of flow in a dark pool?	If Yes, please describe
61	Dark Pool	Uniform Rules	Do all channels of execution (PT, Facilitation, High Touch, Low Touch) have the same rules in place for your client's order flow?	
62	Dark Pool	Monitoring	Provide a description of how the dark pool is monitored and who has access to see orders in the dark pool.	
63	Dark Pool	Statistics Publication	Do you publish dark pool statistics, and if so, how frequently? Do any clients receive more information or at a different or preferential frequency to others?	
64	Dark Pool	Toxicity Measured	Do you measure toxicity in your dark pool?	If yes, what measures are used and how often are they evaluated?
65	Dark Pool	Agency Preference	Do agency orders take precedence over your house internal flows?	
66	Dark Pool	Aggregator List	Please list the names of the aggregators that could access your dark pool.	
67	Dark Pool	Broker Access	Do you allow other brokers to access your dark pool? If yes, please specify which ones.	
68	Dark Pool	Minimum Crossing Quantity	Can your dark pool support "Minimum Crossing Quantity"? (MEQ)	If yes, what is the current setting for our firm's trading desk?
69	Dark Pool	Prioritization/Matching - Dark pools	How does prioritization and the matching process work in your dark pool?	
70	External Market Makers	External Market Makers	Is your firm connected to and are you evaluating external market makers (Y/N)?	If No, please explain why not?
71	External Market Makers	Unwind Policy	Are you aware, or have an understanding of, each market maker's unwind policy and internalization rates?	
72	External Market Makers	Market Maker Review	How frequently does your firm formally review market maker performance and potential toxicity? What is the governance around this process? How does this impact your SOR allocations?	
73	External Market Makers	Unique Liquidity	Please explain how your firm evaluates each market maker's unique liquidity in (i) large cap, (ii) mid cap and (iii) small cap stocks?	
74	FIX Tags	FIX Tags - 29, 30, 851	Do you provide industry standard values for tag 29, 30 and 851 for each child order execution (Y/N)?	If No, or if additional tags you provide, please explain
75	FIX Tags	Additional FIX Tags	Are there additional FIX tags your firm may populate to a client that indicate any information regarding the status of another client's order?	
76	FIX Tags	Customised Algo Tags	Do you provide customised tags alongside the MIC code in Tag 30 to identify the type of liquidity our client orders have interacted with? If not, are you capable of providing such tags upon request?	

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77	Indication of Interest (IOI)	IOI Default Methodology	Describe the general or default methodology for High Touch, Low Touch, Program IOI generation when the IOI is being generated in response to a client order, and how client orders are handled within that methodology. Can clients opt out in any way?	
78	Indication of Interest (IOI)	IOI - Tiering	Do you operate tiering to determine how clients see which IOIs (Y/N)?	If Yes, please confirm which tier our firm is currently residing in, provide an overview/description of other tiers and explain your criteria for tiering.
79	Indication of Interest (IOI)	Principal IOIs	Does your firm have a platform or process for automatically generating principal or proprietary IOIs? If so, are those IOIs available as actionable IOIs? Also, describe the nature of the platform and how these orders are tagged or categorized separately from client order originated or manual principal and proprietary IOIs.	
80	Indication of Interest (IOI)	Principal IOI Guidelines	What is the general practice or what are the general guidelines by which your firm manually generates principal or proprietary IOIs, and what are the general IOI flags which your firm uses to tag or categorize any principal or proprietary IOI activity?	
81	Indication of Interest (IOI)	SOR Order Info Transmit	Does any venue you access receive or transmit order information to other destinations or participants via liquidity indications or IOIs (Y/N)?	If Yes, please describe.
82	Non-Displayed Liquidity Sources	Client Collocation	Can your clients collocate close to your non-displayed liquidity sources? If yes, what are the advantages?	
83	Non-Displayed Liquidity Sources	ATS Order Types - Listing	Please list all order types used on your ATS.	
84	Non-Displayed Liquidity Sources	ATS Restrictions	Are you able to apply restrictions to the trading of a participant in your ATS as a result of execution quality concerns? If so, which metrics are you monitoring, and how often are you calculating and reviewing them? At what point would you communicate these concerns to clients?	
85	Non-Displayed Liquidity Sources	Execution Pricing	Does your ATS use direct feeds or the SIP for execution pricing?	
86	Non-Displayed Liquidity Sources	Locked Markets	Does the ATS execute in locked markets?	
87	Order Routing Strategies	Routing Methodology	Do your Order Routing Strategies send orders to venues sequentially or in parallel?	
88	Order Routing Strategies	Participation Rate - Static or dynamic	Does the Algorithmic Order Routing Strategy have a static or dynamic participation rate? How is this rate determined, and how does it change?	
89	Order Routing Strategies	Volume Profiles - Creation/modification	How are volume profiles created and modified over time?	
90	Policies & Procedures	Payment for Order Flow - Policies	Please describe your policies regarding payment for order flow.	
91	Policies & Procedures	Best Execution Policy - Summary	Please provide a copy or summary of your best execution policy, as approved by your Compliance Department, and any further detail about how you deliver best execution.	
92	Risk Controls	Flash Crash Protections	What protection is there against "flash-crash" style moves in MOO (auction) algos, in intra-day auctions, in continuous trading algos (participation/liquidity seeking, etc.), in MOC algos, and from individual venues/exchanges that you access?	
93	Risk Controls	Real-time Monitoring	Describe how real-time monitoring of the algorithmic trading platform and strategy execution is performed. Please include: (a) what groups are responsible for real-time monitoring, and what are their responsibilities (e.g., surveillance, pre-trade risk controls, client risk exposure, etc) (b) what tools are used to monitor the algorithmic trading platform and strategy execution real-time (c) what is the escalation path if issues arise	
94	Risk Controls	Algorithm Safeguards	Detail any safeguards or protections around algorithm execution for limit prices away from market, extreme security price moves, etc.	
95	Risk Controls	Soft Hold Checks	If any standard soft hold checks are carried out on client orders, please list any soft hold checks you have applied to our order flow.	
96	Risk Controls	Post-trade Controls	What post-trade controls have been implemented to ensure the algorithmic trading platform and strategy has performed as intended? Please include: (a) a description of the ongoing review of performance (b) what (if any) Transaction Cost Analysis tools are deployed (c) how system / capacity planning is conducted	
97	Risk Controls	Kill Functionality	How has the "kill functionality" been implemented within the algorithmic trading platform, who can trigger this and how is it triggered? Please include: (a) ability to cancel immediately any or all of its unexecuted orders submitted to any or all trading venues to which the investment firm is connected; (b) description of the communications process and responsibilities to trigger the kill switch	

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98	Risk Controls	Anti-Gaming Logic	Does your firm have any anti-gaming logic that overlays on the entire algo suite or is the anti-gaming logic algorithm specific?	
99	Risk Controls	Business Continuity Arrangements	What business continuity arrangements are in place to support the algorithmic trading platform, describe the process by which these measures are triggered? Please include: (a) primary/BCP locations; (b) criteria for switch over and how this decision is made; (c) arrangements to manage outstanding orders and positions	
100	Smart Order Routing	Venue List	Which venues does your SOR route orders to?	
101	Smart Order Routing	Internal Preference	Do you preference your own dark pool as part of SOR decisions?	If Yes, please describe how the preference works.
102	Smart Order Routing	Risk Checks - SOR	What risk checks does the SOR have to prevent unexpected market impact?	
103	Smart Order Routing	Signaling Controls	What steps does your SOR take to minimize signaling risk?	
104	Smart Order Routing	Desk Strategies	Does your internal desk use the same routing strategies as clients?	
105	Smart Order Routing	Number of SORs	Does your firm operate multiple SORs to execute our orders (e.g. algorithm and cash desk orders) (Y/N).	If Yes, please indicate the differences in all the following individual questions related to SORs.
106	Smart Order Routing	Proprietary SOR	Is your SOR developed in-house (Y/N)?	If No, please explain what customisation (if any) abilities you are able to add to its behaviour logic? Do you have regular discussions with the provider on performance and potential improvements?
107	Smart Order Routing	Timing Control	Please explain how your SOR controls the timing of child orders when sending orders to multiple venues to minimize the difference in the arrival time at each venue and how this is monitored? Please include: (a) measures in place to support routing of orders simultaneously (b) how latency is monitored and how this influences order routing (c) how the effectiveness of the SOR is measured and reported (d) any randomization or other techniques related to anti-gaming (e) any venue preferencing	
108	Smart Order Routing	Market Data Sources	What are the sources of market data for the SOR? How does it create the snapshot of quote data? Please include distinctions about where you are using direct feeds vs consolidated feeds from and information about where you are using depth of book data versus top of book only data.	
109	Smart Order Routing	Routing Decisions - 3rd Party Decisions	Do you delegate any routing decisions to third parties (Y/N)?	If Yes, please explain.
110	Smart Order Routing	Fair Value Mechanics	Do you have fair value mechanics built into your algo strategies / SOR / non-displayed liquidity sources (Y/N)?	If No, please explain.
111	Smart Order Routing	SOR Best Execution	Describe how your SOR achieves and monitors best execution in both lit and dark venues and include example of factors used to achieve this, including how the SOR disseminates the order to different venues.	
112	Smart Order Routing	Execution on a Venue	Does your SOR take into account any factors when evaluating the likelihood of execution on a venue, such as market share of venue, fill rate, hit rate, consistency of latency, mean reversion, etc.?	
113	Smart Order Routing	Additional Liquidity	What is the process for notifying clients if you add additional liquidity sources to your SOR?	
114	Smart Order Routing	SOR Configuration	Are there any configuration rules for our firm's orders that cause a difference in functionality from the default client rule set (Y/N)? Are there any venues to which the SOR has access but to which our orders are not routed (Y/N)?	If Yes to either please explain why.
115	Smart Order Routing	SOR Behaviour	Are there any other details or nuances to the SOR behaviour that are not captured in the questions above(Y/N)?	If Yes, please describe.
116	Smart Order Routing	SOR Pricing	Where does pricing come into the routing decisions/practices?	
117	Smart Order Routing	List of US Dark Venues	List all ELP's and other dark venues your strategies and/or SOR access.	
118	Smart Order Routing	Internal US SOR Access	Does your SOR access internal sources of liquidity such as an ATS when executing orders submitted by clients (Y/N)?	If Yes, please provide details of the source of this liquidity is, for example if it is as a result of client/principal swaps, derivatives and/or facilitation (risk) trades.
119	Surveillance	Automated Surveillance	Describe the functionality of the automated surveillance system for detecting market manipulation and who monitors the output from the systems. Please include: (a) description of the systems which monitor orders and transactions; (b) how alerts and reports are generated; (c) which control function is responsible for monitoring	
120	Surveillance	Dark Pool Surveillance	If you operate a dark pool, what type of surveillance do you perform in order to prevent anti-gaming or reverse engineering? How do you identify and deal with routine cancellations of orders within your dark pool?	
121	Trading Capabilities	Trading Desk Conflict Management	How does your firm manage conflicts of interest that may exist between customer facilitation and proprietary trading desks?	

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| 122 | Trading Capabilities | Proprietary Trading Order Access Controls | Do you have system controls and limits in place to prevent proprietary traders from seeing or accessing customer orders and other information? |
| 123 | Trading Capabilities | Trading Information Barriers | Describe the information barriers between your firm's customer facilitation and proprietary trading desks. |
| 124 | Trading Capabilities | Capital Commitments | If you commit capital for customer facilitation, how do you trade out of those positions? |