



## **Goldman Sachs & Co. LLC ("GS&Co.") Limit-Up Limit-Down Rule**

Financial Industry Regulatory Authority ("FINRA") Rule 6190, known as Limit-Up Limit-Down ("LULD") rule, creates a market-wide limit-up limit-down mechanism that requires trading centers, including both exchanges and other execution venues, to prevent trades in NMS stocks from occurring outside of specified upper and lower price bands. The rule is a response to the May 6, 2010 "flash crash" during which the U.S. equity markets experienced a sudden and significant decline in the prices of a large number of individual securities in a very short time period that was followed by sudden reversals to pre-decline price levels. This disclosure outlines Goldman Sachs', a U.S. broker-dealer, practices relating to Rule 6190.

### **GS&Co.**

When GS&Co. cannot fully execute client orders at or within the LULD price bands, GS&Co. will handle the orders as follows, consistent with best execution:

#### Held Orders.

- **Market Orders.** GS&Co. will route the unexecuted portion of market orders to trading centers that will display the unexecuted portion of the buy (sell) orders at or below (above) the upper (lower) price band.
- **Marketable Limit Orders.** GS&Co. will route the unexecuted portion of marketable limit orders to trading centers that will display the unexecuted portion of the buy (sell) orders at or below (above) the upper (lower) price band while not breaching the limit price.
- **Non-Marketable Limit Orders.** GS&Co. will route the unexecuted portion of non-marketable limit orders to trading centers that accept non-marketable limit orders. Non-marketable limit orders are non-executable if their limit price is outside the LULD bands.
- **Immediate-or-Cancel ("IOC") Orders.** GS&Co. will cancel the unexecuted portion of IOC Orders.

All other orders will be handled by GS&Co. in accordance with the order terms agreed upon with clients at or within the LULD price bands, when applicable.

When GS&Co. routes orders to other trading centers for execution, the orders will be processed in accordance with the LULD protocols established by the trading center to which they are routed.

### **GS&Co. SIGMA X<sup>2</sup> ATS**

When the national best bid ("NBB") is below the LULD lower price band or the national best offer ("NBO") is above the LULD upper price band, SIGMA X<sup>2</sup> will not execute orders. SIGMA X<sup>2</sup> will continue to accept orders during such periods. The orders will retain their time and price priority and be executed in accordance with their terms when SIGMA X<sup>2</sup> re-commences executions.