PRESS RELEASE

liquidnet·w

Marisha Mistry, Liquidnet
Global Marketing & Communications
+1 646-674-2248
mmistry@liquidnet.com

Richard Franco, Liquidnet
Global Marketing & Communications
+1 646-674-2021
rfranco@liquidnet.com

LATEST LIQUIDNET VIRTUAL HIGH TOUCH™ SOLUTION "SUPER SIZES" BLOCK TRADES IMMEDIATELY AFTER EXECUTION

SURGE CAPTURE soaks up additional liquidity by intelligently targeting the flood of market volume that occurs following a block trade

First solution to launch out of Liquidnet's new innovation hub, Liquidnet Labs

NEW YORK, June 7, 2017 – Liquidnet, the global institutional trading network, today announced the launch of the latest product in its Virtual High Touch suite: Surge Capture. Built to take advantage of the increased volume and volatility that occurs in the market immediately following a block trade, Surge Capture soaks up additional liquidity by seamlessly placing a specially designed order in the market for any unfilled shares immediately after an initial block executes.

"Block trades trigger a ripple effect in the equity markets, with the initial block often being a catalyst for a cluster of more block executions, particularly in the first few minutes afterward," said Rob Laible, Liquidnet's Global Head of Equity Strategy. "Surge Capture allows our Members to automatically take immediate advantage of this phenomenon, putting them in position to benefit from positive price swings rather than trying to react to them. Finding that unique block in Liquidnet and opportunistically capturing additional liquidity without impact is truly a win-win for our Members."

Surge Capture was developed within Liquidnet's new innovation hub, Liquidnet Labs, and is now the first solution to officially launch out of Labs. Liquidnet Members began pilot testing Surge Capture in late 2016, with consistently positive results. Among them:

- On average, a Surge Capture order adds an additional 19% of volume to the original block execution[1]

- On average, a Surge Capture order will absorb 9 out of every 10 blocks that appear in the minute following the initial block[1]

- Year to date, 61% of Surge Capture volume has been executed in blocks, with an average Surge Capture block print of 32,500 shares[1]

---

[1] *Based on Liquidnet's average negotiated execution size of 37,000 shares and 7,000 shares for the average fills of a Surge Capture order (January 1, 2017 – June 1, 2017). Block and Participation Rate based on percentage of eligible volume executed. Eligible volume is that occurring at or better than the order's limit during the order's trading interval.*

- 95% of Surge Capture orders are filled at or better than the mid[2]
- 96% of Surge Capture orders filled in the dark[2]

Surge Capture is currently available for US and Canadian equities.

"Throughout the pilot program, we heard consistently from our Members about the benefits they are finding with Surge Capture," said Brennan Warble, Liquidnet's Head of the Americas. "Ultimately, our Members are the ones creating these block trade market events, so it makes sense that we help them be ready for any immediate liquidity opportunities and favorable price moves that result from their initial execution. Surge Capture is a great example of how innovation and technology can deliver a measurable performance advantage for the buy side," Warble added.

Surge Capture is an integral component of Liquidnet Virtual High Touch™, a completely new category of institutional trader technology that combines advance data analytics, unique liquidity search tools, advance algorithms, MiFID II solutions, and real-time market intelligence and decision support. Virtual High Touch provides traders with unique decision support and liquidity enhancing tools—both now and in the future—to help determine the best trading and liquidity strategies, monitor market conditions throughout the life of each order, and access an audit trail for best-execution decisions.

ABOUT LIQUIDNET

Liquidnet is the global institutional trading network where more than 850 of the world's top asset managers and other like-minded investors come to execute their large trades with maximum anonymity and minimum market impact. As the global leader in large block trading, Liquidnet provides access to unique trading opportunities in 44 markets across five continents. Liquidnet approaches every market with the same bold vision to provide a better, more efficient way to trade on a massive scale. It is this focus on size, combined with the strength of its network, disruptive technology, and commitment to transparency, that is revolutionizing the way equities and corporate bonds are traded. For more information, visit www.liquidnet.com and follow us on Twitter @Liquidnet.

---

[2] *Based on 1,652 orders and 140,024,302 shares routed in U.S. equities from 107 Members enabled for Surge Capture in 1Q 2017.*