

2023 Babson Trading Competition

Base Case Parameters:

CRZY: Start price = \$10; Volatility = 7%; Medium Liquidity

TAME: Start price = \$25; Volatility = 5%; Medium Liquidity

Main Market:

Net trading fee for all orders: 2 cents / share

Alternative Market:

Net trading fee for orders that remove liquidity: 1 cent / share

Net trading fee for orders that provide liquidity: -0.5 cents / share (includes rebate of 1.5 cents / share)

Fines: (A, B, C, D)

- \$A / share for front-running and speculative trading up to B shares (the limit is based on aggregate amount over case)
- \$C / share for amount exceeding B shares (aggregate over case)
- \$D / share for any shares not covered by end of iteration.

Iteration	Description
1	LT3 Base Case (70% speed) Fines: 0.2, 5000, 0.4, 1.0 Main market only No API Trading
2	LT4 Base Case (80% speed) Fines: 0.2, 5000, 0.4, 1.0 Main and alternative market No API Trading
3	LT4 Base Case (100% speed) Fines: 0.2, 5000, 0.4, 1.0 Main and alternative market No API Trading
4	CRZY: Start price: \$16; Volatility: 9%; Medium liquidity TAME: Start price: \$35; Volatility: 3%; High liquidity Fines: 0.01, 10000, 0.02, 1.0 Main and alternative market No API Trading
5	LT4 Base Case Parameters No Fines Main and alternative market API Trading Allowed 15 second tender offer window Different Trading Fees (main: 0.03; alternative: 0.02 / -0.015)

<p>6</p>	<p>LT4 Base Case Parameters No Fines Main and alternative market API Trading Allowed 15 second tender offer window, less favorable tenders Winner-take-all and competitive auctions (30 second decision window)</p>
<p>7</p>	<p>CRZY: Start price: \$10; Volatility 12%; High liquidity TAME: Start price: \$25; Volatility 3%; Low liquidity BBSN: Start price: \$50; Volatility 6%; Medium liquidity No Fines Main market only API Trading Allowed All orders shown as ANON</p>
<p>8</p>	<p>CRZY: Start price: \$12; Volatility 8%; High liquidity TAME: Start price: \$18; Volatility 11%; High liquidity BBSN: Start price: \$80; Volatility 7%; Medium liquidity No Fines Main market only API Trading Allowed Time and Sales Information Available Winner-take-all and competitive auctions (30 second decision window)</p>