

**BYLAWS  
OF  
CHICAGO STOCK EXCHANGE, INC.  
(a Delaware corporation)**

**ARTICLE I**

**[Offices]  
OFFICES; REGISTERED AGENT**

**Registered Office**

SEC. 1. The registered office of the Chicago Stock Exchange, Inc.[Incorporated] (the “Corporation”) in the State of Delaware shall be at such location within the State of Delaware as shall from time to time be determined by the Board of Directors. [The term “Exchange” is used hereinafter to refer either to the Chicago Stock Exchange, Incorporated or to the Exchange market operated by it, as the context may require.)]

**Other Offices**

SEC. 2. The Corporation[Exchange] may also have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or the business or purposes of the Corporation[Exchange] may require.

**[ARTICLE II]  
[Membership]  
[Number and Ownership of Members]**

[SEC. 1. The number of equity memberships in the Exchange shall not exceed 465. Memberships may be owned by individuals, partnerships, corporations and other organizations, under such conditions and qualifications as shall be prescribed in the Rules of the Exchange (these and all other Rules of the Exchange adopted by the Board of Governors being hereinafter referred to as the “Rules”).]

**[Rights and Privileges of Membership]**

[SEC. 2. Unless the owner of a membership has been approved by and is in good standing with the Exchange as provided in the Rules, such owner shall have no right to exercise any right or privilege of membership, to hold himself or itself out for any purpose as a member or otherwise affiliated with the Exchange, or to deal on or with the Exchange on any basis other than as a non-member, except as otherwise specifically provided in the Rules. When used in the Certificate of Incorporation, Constitution and Rules, unless the context otherwise requires, the terms “member”, “member firm”, “member corporation” and “member organization” refer exclusively to persons and organizations approved by and in good standing with the Exchange.]

### **[Nominees and Voting Designees]**

[SEC. 3. A member firm or member corporation (hereinafter referred to as a “member organization”) owning a membership in the Exchange shall designate in writing filed with the Secretary of the Exchange:]

[(a) A nominee to represent and act for it in all matters pertaining to the Exchange (except those matters upon which the vote, consent or similar formal expression of the member organization is required or permitted or in connection with meetings of members or the obtaining of any such consent or similar formal expression) and business conducted by such member organization on the Exchange; a nominee of a member organization shall be one of its general partners or its Chairman of the Board, Vice Chairman of the Board, President, one of its Vice Presidents or, with the approval of the Board of Governors, another person affiliated with such member organization; and,]

[(b) A voting designee to represent and act for the member organization with respect to any matter upon which the vote, consent or similar formal expression of the member organization is required or permitted and in connection with all meetings of members and the obtaining of any such consent or similar formal expression; a voting designee of a member organization shall be one of its general partners or its Chairman of the Board, Vice Chairman of the Board, President or one of its Vice Presidents.]

[The nominee and voting designee of a member organization may be the same or different persons, provided that the voting designee must be a general partner, the Chairman or Vice Chairman of the Board, the President or a Vice President of a member organization, and the nominee may be one of such persons or, with the approval of the Board of Governors, another person affiliated with the member organization. Designations of nominees and voting designees of member organizations and any changes thereof shall be subject to the approval of the Exchange. Except as specifically provided otherwise, the word “member” wherever used in the Certificate of Incorporation, Constitution and Rules shall include and also mean the nominee of a member organization but shall not include the voting designee if a different person.]

### **[Exchange Reliance on Representations of Members, Nominees and Voting Designees]**

[SEC. 4. The Exchange may rely for all purposes on the representations, actions and votes of members, nominees and voting designees and shall have no liability to any member organization for any action taken in reliance upon the representations, actions or votes of either a member who is a general partner or officer of such member organization or a nominee or voting designee of such member organization.]

### **[Sale of Memberships by Chief Executive Officer]**

[SEC. 5. Memberships owned by deceased or incompetent persons and members and member organizations not in good standing with the Exchange may be sold by the Chief

Executive Officer under circumstances provided in the Rules and the proceeds distributed as provided in the Rules.]

## ARTICLE II[I]

### DIRECTORS[Government and Administration]

#### **Powers**

SEC. 1. The business and affairs of the Corporation[Exchange] shall be managed by its Board of Directors[Governors], except to the extent that the authority, powers and duties of such management shall be delegated to a committee or committees of the Corporation established pursuant to these bylaws or the rules. The Board shall have [which shall be vested with] all powers necessary for the government of the Corporation[Exchange], the regulation of the business conduct of Participants[members and member organizations], and the promotion of the welfare, objects and purposes of the Corporation[Exchange]. [Without limiting the generality of the foregoing: The Board of Governors may establish Rules governing the qualifications for membership, the requirements for remaining a member in good standing and the circumstances under which a membership owned by a person or organization not in good standing may be sold by the Chief Executive Officer. It may fix fees and compensation to be paid Governors, members of committees and officers. It may fix dues, fees, assessments and other charges to be paid by members and member organizations. It may, for cause, remove any Governor or officer of the Exchange. "Cause" shall include, but not be limited to, failure by a Governor to attend at least seventy-five percent of the Board meetings held in a calendar year. It shall appoint the Chief Executive Officer of the Exchange, who may serve as Chairman of the Board, for such term and upon such conditions as it may in its discretion determine. It may fill vacancies in the Board of Governors or the office of Vice Chairman who shall serve until the next annual meeting, and the office of Non-Industry committee members of the Nominating Committee who shall serve until the expiration of their term, and shall approve all appointments to Committees (other than the Nominating Committee) made by the Vice Chairman. It may determine the manner in which its own proceedings and the proceedings of any committee of the Exchange shall be conducted. It shall have power to interpret the Constitution and Rules of the Exchange and any interpretation thereof made by it shall be final and conclusive.]

[The foregoing specification of the powers and authority of the Board of Governors is in furtherance of and not by way of limitation of the power and authority of the Board of Governors to do all things necessary for the government and administration of the Exchange, including all such things which are not by statute, by the Certificate of Incorporation or by the Constitution directed or required to be done by the members.]

#### **Number, Term of Office and Qualifications[Members of the Board of Governors]**

SEC. 2. (a) The number of directors of the Corporation shall be not less than ten (10) nor more than sixteen (16). The initial number of directors of the Corporation upon adoption of this bylaw shall be fourteen (14). The number of directors may be increased or

decreased from time to time within the minimum and maximum number provided for in this Section 2 by a resolution adopted by a majority of the Board of Directors, without further amendment of this section; but no decrease shall have the effect of shortening the term of any incumbent director. Directors need not be stockholders of the Corporation.

(b) At all times the Board of Directors shall consist of one (1) director who is the Chief Executive Officer of the Corporation, directors who qualify as “Public Directors” and directors who qualify as “Participant Directors.” The number of directors who must qualify as Public Directors shall be equal to one-half the number of directors comprising the entire board of directors (rounded up to the next whole number), and the directors who neither are the Chief Executive Officer of the Corporation nor qualify as Public Directors shall be Participant Directors. As long as the Board of Directors of the Corporation consists of fourteen (14) directors, the Board of Directors shall consist of the Chief Executive Officer of the corporation, seven (7) directors who qualify as Public Directors and six (6) directors who qualify as Participant Directors. The term “Public Director” shall mean a director who (i) is not a Participant, or an officer, managing member, partner or employee of an entity that is a Participant, (ii) is not an employee of the Corporation or any of its affiliates, (iii) is not broker or dealer or an officer or employee of a broker or dealer, or (iv) does not have any other material business relationship with (x) CHX Holdings, Inc., the Corporation or any of their affiliates or (y) any broker or dealer. The term “Participant Director” shall mean a director who is a Participant or an officer, managing member or partner of an entity that is a Participant. The term “Participant” shall mean any individual, corporation, partnership or other entity that holds a permit issued by the Corporation to trade securities on the market operated by the Corporation. A director shall qualify as a Public Director or Participant Director only so long as such director meets the requirements for that position.

(c) The Board of Directors shall be divided into three classes, which shall be as nearly equal in number and make-up among Public Directors and Participant Directors as the total number of directors then constituting the entire Board of Directors permits. The directors shall serve staggered three-year terms, with the term of office of one class expiring each year, as set forth in the certificate of incorporation of the Corporation. All directors shall continue in office after the expiration of their terms until their successors are elected or appointed and qualified, except in the event of early resignation, removal or disqualification.

(d) A director may serve for any number of terms, consecutive or otherwise, provided that no person shall be eligible for election or reelection as a director if such person has reached the age of 71. A director elected or reelected prior to reaching the age of 71 shall be entitled to complete the term during which he or she reaches the age of 71.

[The Board of Governors shall be composed of the Vice Chairman of the Board, the Chief Executive Officer, the President, if any, and 22 Governors. The Vice Chairman of the Board shall be a member, general partner in a member firm, or officer of a member corporation who is On-Floor. Ten of the 22 Governors shall be Member Governors, of whom at least 4 shall be On-Floor and at least 4 shall be Off-Floor, and twelve Governors shall be Non-Industry, of whom at least 5 shall be Public. The Chairman of the Board shall be appointed by the Board of Governors and shall be either the Chief Executive Officer or one of the elected Governors that is

not On-Floor. The Chief Executive Officer shall be appointed by the Board of Governors to serve at its pleasure. The Chairman, if he is one of the elected Governors and the Vice Chairman shall each serve a two-year term in such capacities. The members of the Board of Governors (other than the Vice Chairman of the Board, the Chief Executive Officer and the President, if any) shall be divided into classes; there shall be seven Governors in Class I, seven Governors in Class II and eight Governors in Class III. Four members of each of Class I, Class II and Class III shall be Non-Industry Governors. At each annual meeting of the Exchange, Governors shall be elected to succeed those whose terms then expire. The Governors so elected shall be identified as being of the same class as the Governors they succeed and shall be elected for a term expiring at the third succeeding annual election meeting of the Exchange or until their respective successors in each case are thereafter elected and qualified.]

[Anything in this Section 2 to the contrary notwithstanding, (1) any Governor that is a general partner or officer of a participant of the Midwest Clearing Corporation or Midwest Securities Trust Company ("Participant Governor") and is acting as a Participant Governor as of November 1, 1995 may continue to serve the remainder of his or her term; and (2) the transition to a Board of Governors as comprised in accordance with this Section 2, from the Board of Governors as comprised as of September 24, 1997, shall be implemented as follows. At the 1998 annual election, Class I shall be reduced by two Member Governors. At the 1999 annual election, Class II shall be reduced by four Member Governors. At the 2000 annual election, Class III shall be reduced by one Member Governor and Class II shall be increased by one Member Governor. The Board of Governors shall be increased by three Non-Industry Governors by the 1999 annual election to serve for staggered terms so as to balance the Classes as determined by the Nominating Committee.]

### **Nomination and Election**

SEC. 3. (a) Candidates for election as director shall be nominated by the Nominating and Governance Committee. The Nominating and Governance Committee shall consist of three (3) Public Directors and three (3) Participant Directors appointed by the Board of Directors.

(b) The Nominating and Governance Committee each year shall nominate directors for each director position standing for election at the annual meeting of stockholders that year. For positions requiring persons who qualify as Participant Directors, the Nominating and Governance Committee shall nominate only those persons whose names have been presented to, and approved by, the Participants pursuant to the procedures set forth in this bylaw.

(c) The Nominating and Governance Committee shall consult with the Chairman of the Board and the Chief Executive Officer, and shall hold at least two open meetings with Participants for the purpose of receiving recommendations of candidates for election to the position of Participant Director.

(d) Not later than 60 days prior to the date announced for the annual meeting of stockholders, the Nominating and Governance Committee shall report to the Secretary of the Corporation its initial nominees for Participant Director positions on the Board of Directors. The

Secretary shall promptly notify Participants of those initial nominees. Participants may identify other candidates for the Participant Director positions by delivering to the Secretary, at least 35 days before the date announced for the annual meeting of stockholders, a written petition, which shall designate the candidate by name and office and shall be signed by at least ten (10) Participants supporting that petition. A Participant may endorse as many candidates as there are Participant Director positions to be filled. For purposes of this Section 3, the term “Participant” shall mean the voting designee of a Participant.

(e) If one or more valid petitions are received, the Secretary shall notify all Participants of record (as of the close of business on the day before the date of such notice) of the names of the initial nominees identified by the Nominating and Governance Committee and those additional candidates identified by Participants as well as of the time and date of an election, to be held at least 20 days prior to the annual stockholders’ meeting, to confirm the Participants’ selections of nominees for Participant Directors. In such elections, each Participant shall have one vote with respect to each Participant Director position that is to be filled at the annual stockholders’ meeting. Votes may be cast in person or by proxy. The individuals receiving the largest number of votes shall be the persons approved by the Participants as Participant Director nominees. The Secretary shall notify the Nominating and Governance Committee of the results of the election.

(f) If no valid petitions from the Participants are received by the date that is 35 days prior the date that is announced for to the annual meeting of stockholders, the Nominating and Governance Committee’s initial nominees shall be deemed to be the persons approved by the Participants as the Participant Director nominees, and the Secretary shall so notify the Nominating and Governance Committee.

### **Chairman**

SEC. 4. (a) The Board of Directors shall elect the Chairman of the Board from among the Chief Executive Officer and the Public Directors. The Chairman may serve as Chief Executive Officer but may hold no other office in the Corporation.

(b) The Chairman shall preside at all meetings of the Board. He may call special meetings of the Board of Directors or any committee of the Corporation. He shall be an ex-officio member, with the right to vote except as otherwise designated in these bylaws or the rules, of the Executive Committee. If the Chairman is not also the Chief Executive Officer, he shall also be an ex-officio member, with the right to vote, of the Audit Committee, the Regulatory Oversight Committee, the Finance Committee and the Compensation Committee. With the Vice Chairman, he shall, subject to the approval of the Board of Directors, appoint the members of the Executive, Audit, Compensation and Finance Committees and nominate persons to fill any vacancy or newly-created directorship on the Board of Directors. He shall also have such other duties, authority and obligations as may be given to him by the Board of Directors.

## Vice Chairman

SEC. 5. (a) The Participant Directors shall elect the Vice Chairman by majority vote from among the Participant Directors. The Vice Chairman may hold no other office in the Corporation.

(b) The Vice Chairman shall perform the functions of the Chairman in his absence or inability to act. With the Chairman, the Vice Chairman shall, subject to the approval of the Board of Directors, appoint the members of the Executive, Audit, Compensation and Finance Committees. The Vice Chairman also shall, subject to the approval of the Board of Directors, appoint the members of all other standing and special committees of the Corporation, except the Nominating and Governance Committee and the Judiciary Committee. With the Chairman, the Vice Chairman shall nominate persons to fill any vacancy or newly-created directorship on the Board of Directors. He shall also have such other duties, authority and obligations as may be given to him by the Board of Directors.

## Vacancies

SEC. 6. Any vacancy on the Board of Directors resulting from the death, retirement, resignation, disqualification or removal of a director, as well as any newly created directorship resulting from an increase in the number of directors which occurs between annual meetings of the stockholders at which directors are elected, shall be filled only with a person nominated by the Chairman and Vice Chairman of the Corporation and elected by a majority of the directors then in office, though less than a quorum or by a sole remaining director, except that those vacancies resulting from removal from office by a vote of the stockholders for cause may be filled by a vote of the stockholders at the same meeting at which such removal occurs. The Chairman and Vice Chairman shall provide the names of nominees to fill vacancies to the Board, in writing, no later than five business days before the date on which the Board will be asked to vote to fill the vacancies. Any person chosen to fill a vacancy or newly-created directorship must qualify as the type of director (Public Director or Participant Director) associated with the seat on the Board being filled. A director chosen to fill a vacancy or newly-created directorship by the directors then in office shall hold office until the end of the next annual meeting of stockholders, at which time a director shall be elected by vote of the stockholders to fill any remaining portion of the term of the class to which such director belongs. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

## **Participation in Meeting, Action or Proceeding**

SEC. 7[3]. No director[Governor] shall be disqualified from participating in any meeting, action or proceeding of the Board of Directors[Governors] by reason of having, either personally or as a member of any committee, made prior inquiry, examination or investigation of the subject under consideration, nor shall any member of any such committee be disqualified from acting as a director[Governor] upon any appeal from a decision of any committee. But no director[Governor] shall participate in the determination of any matter in which such director[Governor] is personally interested. [Notwithstanding the foregoing,] Participant

Directors[Member Governors] shall not be deemed to be personally interested in the determination of matters that may affect the Participants[members] as a whole or certain groups[classes] of Participants[members], and Participant Directors[Member Governors] shall not be prohibited from participating in such determinations in the normal course of conducting the Corporation's[Exchange] business.

### **Place of Meetings; Mode**

SEC. 8[4]. Any meeting of the Board of Directors[Governors] may be held at such place, within or without the State of Delaware, as shall be designated in the notice of such meeting, but if no such designation is made, then the meeting will be held at the principal business office of the Corporation[Exchange]. Members of the Board of Directors[Governors] or any committee designated by the Board, including the Executive Committee, may participate in a meeting of the Board or committee by conference telephone or other[similar] communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the[such a] meeting.

### **Regular Meetings**

SEC. 9[5]. Regular meetings of the Board of Directors[Governors] may be held, with or without notice, at such time or place as may from time to time be specified in a resolution adopted by the Board or by the Executive Committee and at the time in effect.

### **Special Meetings**

SEC. 10[6]. (a) Special meetings of the Board of Directors[Governors] may be called on two days' notice to each director[Governor] by the Chairman of the Board, the Vice Chairman of the Board or the Chief Executive Officer and shall be called by the Secretary upon the written request of any five directors[Governors].

(b) The person or persons calling a special meeting of the Board shall fix the time and place at which the meeting shall be held, and such time and place shall be specified in the notice of such meeting. Notice of any special meeting shall be given by written, electronic or telephonic means to each director at his or her business address or such other address as he or she may have advised the Secretary of the Corporation to use for such purpose. If delivered, notice shall be deemed to be given when delivered to such address or to the person to be notified. If mailed, such notice shall be deemed to be given two business days after deposit in the United States mail, postage prepaid, of a letter addressed to the appropriate location. Notice may also be given by telephone, electronic transmission or other means not specified in this section, and in each such case shall be deemed to be given when actually received by the director to be notified.

### **Quorum and Action by the Board**

SEC. 11[7]. At all meetings of the Board of Directors[Governors], one-half of the number of directors[Governors] then in office (including not less than 50 percent of the Public

Directors[Non-Industry Governors]) shall constitute a quorum for the transaction of business, and the act of a majority of the directors[Governors] present at any meeting at which there is a quorum shall be the act of the Board of Directors[Governors] except as may be otherwise specifically provided by statute, the c[C]ertificate of i[I]ncorporation, the bylaws[Constitution] or the rules[Rules]. If at least 50 percent of the Public Directors[Non-Industry Governors] are (a[i]) present at or (b[ii]) have waived their attendance for a meeting after receiving an agenda prior to such meeting, the requirement that not less than 50 percent of the Public Directors[Non-Industry Governors] be present to constitute the quorum shall be deemed satisfied. If a quorum shall not be present at any meeting of the Board of Directors[Governors], a majority of the directors[Governors] present at the meeting[thereat] may adjourn the meeting [from time to time], without notice other than announcement at the meeting, until a quorum shall be present.

### **Waiver of Notice**

SEC. 12. A written waiver of notice, signed by a director entitled to notice of a meeting of the Board of Directors, whether before or after the time of the meeting stated in the notice, shall be deemed equivalent to the giving of such notice to that director. Attendance of a director at a meeting of the Board of Directors or of a committee of the board of which the director is a member shall constitute a waiver of notice of such meeting except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

### **Presumption of Assent**

SEC. 13. A director of the Corporation who is present at a duly convened meeting of the Board of Directors or at a committee of the Board at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment of the meeting or shall forward such dissent by registered or certified mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

### **Informal Action**

SEC. 14[8]. Unless otherwise restricted by statute, the c[C]ertificate of i[I]ncorporation or these bylaws[the Constitution], any action required or permitted to be taken at any meeting of the Board of Directors[Governors] may be taken without a meeting, if a written consent to the action[thereto] is signed by all of the directors[Governors] and such written consent is filed with the minutes of proceedings of the Board of Directors[Governors].

### **Compensation**

SEC. 15. The directors may be paid their reasonable expenses, if any, of attendance at each meeting of the Board of Directors and at each meeting of a committee of the Board of Directors of which they are members. The Board of Directors, irrespective of any personal

interest of any of its members, shall have authority to fix compensation of all directors for services to the Corporation as directors, officers or otherwise.

### **Removal**

SEC. 16. Directors may be removed by the stockholders only as provided in the certificate of incorporation.

### **Interpretation of Bylaws and Rules**

SEC. 17. The Board of Directors shall have power to interpret these bylaws and the rules of the Corporation and any interpretation made by it shall be final and conclusive.

### **[Subsidiary Corporations]**

[SEC. 9. The Board of Governors may constitute any officer of the Exchange its proxy, with power of substitution, to vote the stock of any subsidiary of the Exchange.]

### **[Definitions]**

[SEC. 10. The following terms as used anywhere in the Constitution or the Rules, unless the context indicates otherwise, have the following meanings:]

- [1. "Non-Industry" means a Governor or committee member who is:]
  - [a. a Public Governor or committee member;]
  - [b. an officer or employee of an issuer of securities listed exclusively on the Exchange; or]
  - [c. any other individual who:]
    - [i. is not, or has not served in the prior three years (or such lesser period as deemed appropriate by the Exchange, in its discretion, but not less than one year), as an officer, director, or employee of a broker or dealer and has not had (within the same time period specified above) an ownership interest in a broker or dealer that permits him or her to be engaged in the day-to-day management of a broker or dealer, excluding an outside director or a director not engaged in the day-to-day management of a broker or dealer;]
    - [ii. is not an officer, director (excluding an outside director), or employee of an entity that owns more than ten percent of the equity of a broker or dealer, and the broker or dealer accounts for more than five percent of the gross revenues received by the consolidated entity;]
    - [iii. does not own more than five percent of the equity securities of any broker or dealer, whose investments in brokers or dealers do not exceed ten percent of his or her

net worth, or whose ownership interest does not otherwise permit him or her to be engaged in the day-to-day management of a broker or dealer;]

[iv. does not provide and whose firm or partnership does not provide professional services to brokers or dealers that constitute 20 percent or more of the professional revenues received by the Governor or committee member or 20 percent or more of the gross revenues received by the Governor's or committee member's firm or partnership;]

[v. does not provide and whose firm or partnership does not provide professional services to a director, officer, or employee of a broker, dealer, or corporation that owns 50 percent or more of the voting stock of a broker or dealer, and such services relate to the director's, officer's, or employee's professional capacity and constitute 20 percent or more of the professional revenues received by the Governor or committee member or 20 percent or more of the gross revenues received by the Governor's or committee member's firm or partnership; and]

[vi. does not have a consulting or employment relationship with or provide professional services to the Exchange and has not had any such relationship or provided any such services at any time within the prior three years.]

[2. "Public" means a Governor or committee member who has no material business relationship with a broker or dealer or the Exchange.]

[3. "On-Floor" when used in the context of Governors and committee members means members who are primarily engaged in business on the Exchange's trading floor or persons associated with member organizations primarily engaged in business on the Exchange's trading floor.]

[4. "Off-Floor" when used in the context of Governors and committee members means members and persons associated with member organizations who are not "On-Floor."]

[5. "Member Governor" means a Governor who is a member, general partner of a member firm or officer of a member corporation.]

[6. The Chief Executive Officer and the President, if any, shall not be considered "Non-Industry," "Public," or "Member" Governors.]

### **ARTICLE III**

#### **STOCKHOLDERS**

##### **Annual Meeting**

SEC. 1. The annual meeting of the stockholders shall be held on a business day in April each year, or on such other dates determined by the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting.

### **Special Meetings**

SEC. 2. Special meetings of the stockholders for any purpose or purposes may be called by the Board of Directors or the Chief Executive Officer.

### **Place of Meetings**

SEC. 3. Meetings of stockholders of the Corporation shall be held at such place, within or without the State of Delaware, as the Board of Directors may designate prior to the giving of notice of such meeting, but if no such designation is made, then the meeting shall be held at the principal business office of the Corporation; provided, however, that for any meeting of the stockholders for which a waiver of notice designating a place is signed by all of the stockholders, then that shall be the place for the holding of such meeting.

### **Notice of Meetings**

SEC. 4. Unless otherwise prescribed by statute or by the certificate of incorporation, notice of each annual or special meeting of the stockholders, stating the date, time and place of the meeting of the stockholders and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder of record entitled to vote at the meeting, not less than 10 nor more than 30 days before the date of the meeting, or in the case of a meeting called for the purpose of acting upon a merger or consolidation not less than 20 nor more than 30 days before the meeting. Only matters stated in the notice of a stockholder meeting shall be brought before that meeting. Any stockholder desiring that any matter be brought before an annual meeting of stockholders shall so notify the Secretary at least 35 days prior to the date announced for the meeting, and, if a proper subject for consideration by the stockholders, that matter shall be stated in the notice of the meeting as one of the purposes of the meeting. Notice shall be given by or at the direction of the Secretary. If mailed, this notice shall be deemed to be given when deposited in the United States mail, postage prepaid, addressed to the stockholder at his or her address as it appears on the records of the Corporation. If delivered (rather than mailed) to the stockholder's address, the notice shall be deemed to be given when delivered. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days or unless a new record date is fixed for the adjourned meeting.

### **Waiver of Notice**

SEC. 5. A waiver of notice in writing signed by a stockholder entitled to such notice, whether before or after the time of the meeting stated in the notice, shall be deemed equivalent to the giving of such notice. Attendance of a stockholder in person or by proxy at a meeting of stockholders shall constitute a waiver of notice of such meeting except when the stockholder or his or her proxy attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

## Meeting of All Stockholders

SEC. 6. If all of the stockholders shall meet at any time and place, either within or without the State of Delaware, and shall, in writing signed by all of the stockholders, waive notice of, and consent to the holding of, a meeting at such time and place, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

## Record Dates

SEC. 7. (a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment of such a meeting, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 30 nor less than 10 days before the date of such meeting (or less than 20 days if a merger or consolidation is to be acted upon at such a meeting). If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by the certificate of incorporation of the Corporation or by statute, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered in the manner required by law to the Corporation at its registered office in the State of Delaware or at its principal place of business or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of the Corporation's stockholders are recorded. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the certificate of incorporation or by statute, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is

adopted, and which record date shall not be more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating to that purpose.

(d) Only those who shall be stockholders of record on the record date fixed pursuant to the provisions in this Section 7 shall be entitled to such notice of, and to vote at, such meeting and any adjournment of that meeting, or to consent to such corporate action in writing, or to receive payment of such dividend or other distribution, or to receive such allotment of rights, or to exercise such rights, as the case may be, even if stock is transferred on the books of the Corporation after the applicable record date.

### **Lists of Stockholders**

SEC. 8. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least 10 days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least 10 days prior to the meeting, either at a place within the municipality where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where said meeting is to be held, and the list shall be produced and kept at the time and place of meeting during the whole time of the meeting, for inspection by any stockholder who may be present.

### **Quorum and Vote Required for Action**

SEC 9. Except as may otherwise be provided in the certificate of incorporation of the Corporation, the holders of stock of the Corporation having a majority of the total votes which all of the outstanding stock of the Corporation would be entitled to cast at the meeting, when present in person or by proxy, shall constitute a quorum at any meeting of the stockholders. Unless a different number of votes is required by statute or the certificate of incorporation of the Corporation, (a) if a quorum is present with respect to the election of directors, directors shall be elected by a plurality of the votes cast, for the type of director associated with the seat on the Board being filled, by those stockholders present in person or represented by proxy at the meeting and entitled to vote on the election of directors, and (b) in all matters other than the election of directors, if a quorum is present at any meeting of the stockholders, a majority of the votes entitled to be cast by those stockholders present in person or by proxy shall be the act of the stockholders. If a quorum is not present at any meeting of stockholders, then holders of stock of the Corporation who are present in person or by proxy representing a majority of the votes cast may adjourn the meeting from time to time without further notice. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. Withdrawal of stockholders from any meeting shall not cause failure of a duly constituted quorum at that meeting.

### **Proxies**

SEC. 10. Each stockholder entitled to vote at a meeting of the stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no proxy shall be valid after three years from its date unless otherwise provided in the proxy. Such proxy shall be in writing and shall be filed with the Secretary of the Corporation before or at the time of the meeting or the giving of such written consent, as the case may be.

### **Voting of Shares**

SEC. 11. Each stockholder of the Corporation shall be entitled to such vote (in person or by proxy) for each share of stock having voting power held of record by such stockholder as shall be provided in the certificate of incorporation of the Corporation or, absent provision in the certificate of incorporation fixing or denying voting rights, shall be entitled to one vote per share.

### **Voting by Ballot**

SEC. 12. Any question or any election at a meeting of the stockholders may be decided by voice vote unless the presiding officer shall order that voting be by ballot or unless otherwise provided in the certificate of incorporation of the Corporation or required by statute.

### **Inspectors**

SEC. 13. At any meeting of the stockholders, the presiding officer may, or upon the request of any stockholder shall, appoint one or more persons as inspectors for such meeting. Such inspectors shall ascertain and report the number of shares represented at the meeting, based upon their determination of the validity and effect of proxies; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the stockholders. Each report of an inspector shall be in writing and signed by him or a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be *prima facie* evidence thereof.

### **Informal Action**

SEC. 14. Any corporate action upon which a vote of stockholders is required or permitted may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote on that matter were present and voted and shall be delivered to the Corporation in the manner required by law at its registered office within the State of Delaware or at its principal place of business or to an officer or agent of the

Corporation having custody of the book in which proceedings of meetings of stockholders of the Corporation are recorded. Every written consent shall bear the date of signature of each stockholder who signs the consent, and no written consent shall be effective to take the corporate action referred to in the consent unless, within 60 days of the earliest dated consent delivered to the Corporation, written consents signed by a sufficient number of holders to take action are delivered to the Corporation as required by these bylaws or by applicable law. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not so consented in writing.

**[ARTICLE IV]**  
**[Meetings Of Members; Nominations And Elections]**

**[Place of Meetings]**

[SEC. 1. Meetings of members of the Exchange shall be held at such place, within or without the State of Delaware, as the Board of Governors may designate prior to the giving of notice of such meeting, but if no such designation is made, then at the principal business office of the Exchange.]

**[Annual Meetings]**

[SEC. 2. Unless the Board otherwise determines for good cause, an annual election meeting and an annual report meeting of the Exchange shall both be held on business days in April each year, as determined by the Board. At each annual election meeting there shall be elected a Vice Chairman of the Board and Governors to fill expiring terms and any vacancies in unexpired terms, and three Member Committee members of the Nominating Committee to act in connection with the next following annual election meeting. At the annual report meeting, the Chairman and the Chief Executive Officer shall be present and members of the Exchange shall be provided with an opportunity to make inquiries of management.]

[Prior to the Exchange's annual report meeting, the Chairman and the Chief Executive Officer shall each provide a written report to members.]

**[Nominating Committee]**

[SEC. 3. There shall be a Nominating Committee composed of five (six to act in conjunction with the 1999 Annual Election and thereafter) persons. Three persons shall be elected at each annual election meeting of the Exchange from among members, general partners of member firms and officers of member corporations who do not hold any other office in the Exchange ("Member Committee members"). At least one Member Committee member shall be On-Floor and at least one Member Committee member shall be Off-Floor. Two other persons on the Committee (three to act in conjunction with the 1999 Annual Election and thereafter) shall be Non-Industry and shall be appointed annually by the Board of Governors at its first meeting held after the annual election meeting of the Exchange. Any vacancy in Member Committee members on the Nominating Committee shall be filled by the remaining persons on the Nominating Committee from among persons who would have been eligible for election to such position at

the preceding annual election meeting. Any vacancy in Non-Industry committee members shall be filled by the Board of Governors. No person on the Nominating Committee in any year shall be eligible for election to any office or position in the Exchange for the ensuing year nor shall such person serve on the Nominating Committee for two successive years. At all meetings of the Nominating Committee, a quorum for the transaction of business shall consist of a majority of the committee members, including not less than 50 percent of the Non-Industry committee members. If at least 50 percent of the Non-Industry committee members are (i) present at or (ii) have filed a waiver of attendance for a meeting after receiving notice of such meeting, the requirement that not less than 50 percent of the Non-Industry committee members be present to constitute the quorum shall be deemed satisfied.]

### **[Reporting of Nominating Committee]**

[SEC. 4 (a). After consulting with the Chairman of the Board and the Chief Executive Officer with respect to the current developments and needs of the Exchange which should be considered in connection with nominations and not later than 30 days preceding each annual election meeting, the Nominating Committee shall report to the Secretary nominations to be voted on at the annual election meeting as follows:]

[(i) A Vice Chairman of the Board to serve for two years if his term is then expiring or until the end of the unexpired term if the office had been filled by the Board as a result of a vacancy.]

[(ii) Subject to the transition provisions of Article III, Sec. 2, seven Governors, three of whom shall be Member Governors and four of whom shall be Non-Industry Governors to serve for a term of three years, if the Governors whose terms are expiring are in either Class I or Class II, or, eight Governors, four of whom shall be Member Governors and four of whom shall be Non-Industry Governors to serve a term of three years, if the Governors whose terms are expiring are in Class III.]

[(iii) That number of Governors required to fill any vacancies on the Board of Governors to serve for any unexpired terms. Any person nominated to fill a vacancy on the Board of Governors shall be of the same category (Member or Non-Industry) as the Governor he is nominated to succeed;]

[(iv) Three Member Committee members of the Nominating Committee to act in connection with the next following annual election meeting;]

[(b) Subject to the transition provisions of Article III, Sec. 2, the Nominating Committee shall make its nominations so as to accomplish the following:]

[(i) Of the 10 Member Governors at least 4 must be On-Floor and at least 4 must be Off-Floor, and, of the 12 Non-Industry Governors, at least 5 must be Public.]

[(ii) Having a Vice Chairman of the Board and Member Governors who, if affiliated with member organizations, occupy senior management positions having substantial responsibility in such member organizations.]

[(iii) Having persons on the Board of Governors and the Nominating Committee who are interested in and knowledgeable about the various aspects of Exchange operations and of the securities business and the activities of the subsidiaries of the Exchange.]

#### **[Limitation on Service]**

[SEC. 5. No Member or Non-Industry Governor who has served all of three consecutive terms in such capacity shall be eligible for election in such capacity except after an interval of at least two years. Neither the Chairman (when he is one of the elected Governors) nor the Vice Chairman of the Board who has served all or part of two consecutive terms in such capacity shall be eligible for election or appointment in such capacity except after an interval of at least one year. No Non-Industry Governor shall be eligible for election or reelection as a Governor of the Exchange upon reaching the age of 71; however, having been elected or re-elected prior to reaching the age of 71 such Non-Industry Governor shall be entitled to complete the term during which he or she reached the age of 71.]

#### **[Recommendation of Candidates]**

[SEC. 6. At any time prior to the filing of the report of the Nominating Committee with the Secretary of the Exchange, any member may recommend candidates for any office to the Committee, either in writing or in person. The Nominating Committee shall hold at least two open meetings for the purpose of receiving recommendations as to candidates from the members and member organizations.]

#### **[Nominations by Members]**

[SEC. 7. Members may nominate other candidates for the same office or offices as the candidates nominated by the Nominating Committee. Such nominations shall be by written petition which shall designate the candidate by name and office and shall be signed by the members so nominating. The petition must be filed with the Secretary at least 20 days prior to the annual election meeting. A petition shall not be valid unless signed by not less than 10 members. No member may endorse more than one candidate for the same office, excepting candidates for members of the Board of Governors and of the Nominating Committee, in which case as many candidates as there are offices to be filled may be endorsed. In case of any nomination of a candidate or candidates for election to the Board of Governors pursuant to this Section 7, the election of Member Governors and Non-Industry Governors shall be separate so that the candidate or candidates so nominated will be opposing only the candidate or candidates of the same category nominated by the Nominating Committee.]

### **[Procedure of Annual Election Meetings]**

[SEC. 8. Annual election meetings shall be conducted in the following manner:]

[(a) The Secretary of the Exchange and two members appointed by the Vice Chairman of the Board shall constitute a committee to conduct the election held at the annual election meeting of the Exchange. The Committee shall have authority to decide all questions pertaining to the election (except tie votes) and its decision shall be final.]

[(b) At each annual election meeting each member shall be entitled to one vote for each Governor, officer and committee member to be elected, which may be cast in person or by proxy. Proxies shall be members or officers of the Exchange.]

[(c) Promptly after the expiration of the time within which nominations may be made by petition, the Secretary shall mail to each member a notice of the election, and a ballot containing the names of all candidates listed under the offices for which they have been severally nominated and a proxy card. Candidates nominated by the Nominating Committee and those nominated by petition shall be so designated on the ballot. An envelope marked "For Ballot Only" and a copy of this article of the Constitution, or instructions for voting based thereon, shall be enclosed with the notice. Each member desiring to vote by proxy shall mark his ballot and seal the same in the envelope marked "For Ballot Only." The envelope containing the ballot shall not be marked in any way to identify the member voting. He shall sign the proxy card and mail or deliver it, accompanied by the envelope containing his marked ballot, to the proxy designated in the proxy card. At the annual election meeting, such proxy shall deliver the proxy card to the Secretary (who shall file the proxy card and check the name of the member so voting on the voting list) and shall vote by placing the envelope containing the ballot in the ballot box. Voting in person shall be by secret ballot deposited in the ballot box by the member so voting. The execution of the proxy card or the deposit of the ballot in the ballot box by a voting designee of a member organization shall constitute a representation by such voting designee that he is duly authorized to vote on behalf of such member organization and that such vote is not contrary to instructions received by him from such member organization.]

[(d) Upon completion of the vote, the Committee shall open the ballot box and the envelopes containing the ballots. The ballots shall be counted by the Committee and the candidate or candidates receiving the largest number of votes shall be declared to have been elected. Tie votes shall be decided by secret ballot of the Board of Governors at its first meeting following the election at which the tie occurs.]

### **[Special Meetings of Members]**

[SEC. 9. Special meeting of members, for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, may be called by the Chairman of the Board, the Vice Chairman of the Board or the Chief Executive Officer and shall be called by the Secretary at the written request of 25 members stating the purpose or purposes of the proposed meeting.]

### **[Notice]**

[SEC. 10. Unless otherwise prescribed by statute or by the Certificate of Incorporation or Constitution, notice of each annual or special meeting of members, stating the date, time and place thereof and the purpose or purposes for which such meeting is called, shall be given to each member entitled to vote thereat not more than 30 days and at least 10 days before the date of the meeting. Only matters stated in the notice of a meeting of members shall be brought before such meeting. Any member desiring that any matter be brought before an annual meeting of members shall so notify the Secretary at least 35 days prior to the date of such meeting, and the consideration of such matter shall be stated in the notice of such meeting as one of the purposes of such meeting.]

### **[Quorum]**

[SEC. 11. A majority of the members, when present in person or represented by proxy, shall constitute a quorum at all meetings of members for the transaction of business except as otherwise provided by statute, the Certificate of Incorporation or the Constitution.]

### **[Voting by Members]**

[SEC. 12. When a quorum is present at any meeting, a majority of members present in person or represented by proxy shall decide any question properly brought before such meeting, unless the question is one upon which by express provision of statute, the Certificate of Incorporation or the Constitution a different vote is required, in which case such express provision shall control. Voting on any question brought before any meeting of members shall be in accordance with the procedure provided by the Constitution for the election conducted at each annual election meeting of the Exchange.]

### **[Action by Members Without a Meeting]**

[SEC. 13. Any corporate action which might properly be brought before a meeting of members upon which a vote of members is required or permitted may be taken without a meeting, without prior notice and without a vote, with the written consent of members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members having a right to vote thereon were present and voted; provided that prompt notice be given to those members who have not so consented in writing to the taking of corporate action without a meeting by less than unanimous written consent.]

### **[Term "Member" Includes Voting Designee]**

[SEC. 14. The word "member" wherever used in this Article IV in the context of a member of the Exchange shall include and also mean the "voting designee" of a member organization but shall not include or mean the "nominee" of a member organization.]

## ARTICLE IV[V]

### COMMITTEES[Committees]

#### Number of Committees

SEC. 1. The committees of the Corporation shall consist of an Executive Committee, a Nominating and Governance Committee, an Audit Committee, a Compensation Committee, a Regulatory Oversight Committee, a Finance Committee, a Judiciary Committee and such other committees as may be provided in the bylaws[Constitution] or rules or as may be from time to time established by the Board of Directors[appointed by the Vice Chairman of the Board with the approval of the Board of Governors or Executive Committee. The Vice Chairman of the Board shall designate the Chairman and Vice Chairman of all committees, except the Executive Committee].

#### Appointment of Committees

SEC. 2. The Nominating and Governance Committee shall be appointed by the Board of Directors as provided in Article II, Section 3(a). The Judiciary Committee shall be appointed by the Chief Executive Officer, as provided in the Exchange's rules. The Executive, Audit, Compensation and Finance Committees shall be appointed by the Chairman and Vice Chairman, with the approval of the Board of Directors. The Regulatory Oversight Committee shall be appointed by the Vice Chairman and approved by the Public Directors. All other committees shall be appointed by the Vice Chairman of the Board, with the approval of the Board of Directors. The Chairman and Vice Chairman (or, where appropriate, the Vice Chairman, alone) shall provide names of all recommendations for committee appointments to the Board, in writing, no later than five business days before the meeting at which the Board will be asked to approve the appointments.

#### **[Powers of Executive Committee]**

[SEC. 2. The Executive Committee shall have such powers as may be delegated to it by the Board of Governors, and between meetings of the Board of Governors it shall have, and may exercise, all the rights, powers, authority, duties and obligations of the Board of Governors not otherwise delegated to another committee or an officer or officers of the Exchange by the Constitution, Rules or by the Board of Governors, except authority to propose amendments to the Certificate of Incorporation and the Constitution, to adopt an agreement of merger or consolidation, to recommend to the members the sale, lease or exchange of all or substantially all of the property and assets of the Exchange or to recommend to the members a dissolution of the Exchange or the revocation of a dissolution.]

#### **Powers and Duties of [Other] Committees**

SEC. 3. All [other] committees shall have such duties and may exercise such authority as may be prescribed for them in these bylaws[the Constitution or Rules] or in the rules

or by the Board of Directors[Governors or Executive Committee at the time of their appointment].

### **[Membership of Executive Committee]**

[SEC. 4. The Executive Committee shall consist of not less than seven members of the Board of Governors, plus the Chairman of the Board as an ex-officio member with full voting powers. Not less than 50 percent of the committee members (excluding the Chairman) shall be Non-Industry. The Chairman of the Board shall be the Chairman of the Executive Committee. Appointments to the Executive Committee shall be made by the Vice Chairman of the Board with the approval of the Board of Governors. Such appointments shall be made with a view to providing, over time, representation on the Committee to all geographical areas in which there are member organizations which support and significantly contribute to the strength and growth of the Exchange and with a view to having persons on the Executive Committee who are interested in and knowledgeable about the various aspects of Exchange operations and of the securities business and the activities of the subsidiaries of the Exchange. Any Governor may be appointed a temporary member of the Executive Committee by the Vice Chairman of the Board during the absence or inability to act of a regular member of the Committee. Such temporary appointee shall have all the rights, power, authority, duties and obligations of the regular committeeman until the latter returns or is again able to act. A majority of members of the Executive Committee (including not less than 50 percent of the Non-Industry committee members), which may include ex-officio members, shall constitute a quorum. If at least 50 percent of the Non-Industry committee members are (i) present at or (ii) have filed a waiver of attendance for a meeting after receiving an agenda prior to such meeting, the requirement that not less than 50 percent of the Non-Industry committee members be present to constitute the quorum shall be deemed satisfied.]

### **Conduct of Proceedings**

SEC. 4[5]. Except as otherwise provided in the c[C]ertificate of i[I]ncorporation, these bylaws[Constitution] or the r[R]ules, or by the Board of Directors[Governors], each committee may determine the manner in which its proceedings shall be conducted. Any action required or permitted to be taken at any meeting of any committee may be taken without a meeting if a written consent to the action is signed by all of the members of the[such] committee and the written consent is filed with the minutes of the proceedings of the committee.

## **ARTICLE V[I]**

### **OFFICERS[Officers]**

#### **Officers of the Corporation[Exchange]**

SEC. 1. The officers of the Corporation[Exchange] shall be the [Chairman of the Board, the Vice Chairman of the Board]Chief Executive Officer, one or more Vice Presidents, a Secretary and a Treasurer, and such other officers, including a President, as the Board of

Directors[Governors] or the Chief Executive Officer may determine. The Board of Directors[Governors], or, to the extent set out in Section 3 below, the Chief Executive Officer, may appoint all such officers and agents as are deemed necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board or by the Chief Executive Officer. Except as specifically provided in these bylaws, the same person may serve in one or more offices to which he may be appointed. [The Chairman of the Board, the Vice Chairman of the Board and the President, if any, shall not hold any other office, except that the Chairman or the President, if any, may also serve as the Chief Executive Officer or the Chief Operating Officer; otherwise the same person may serve in one or more offices to which he may be appointed by the Board of Governors on the recommendation of the Chief Executive Officer.]

### **Compensation**

SEC. 2. The compensation of the Chief Executive Officer shall be fixed by the Compensation Committee. The salaries of all other officers and agents of the Corporation shall be fixed by the Chief Executive Officer, in consultation with the Compensation Committee.

### **Term of Office; Removal; Vacancies**

SEC. 3. Each officer of the Corporation shall hold office until his or her successor is appointed and qualified, or until his or her earlier death, resignation or removal. Any officer or agent chosen by the Board of Directors may be removed at any time by the Board of Directors, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer or agent appointed by the Chief Executive Officer may be removed at any time by the Chief Executive Officer, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

### **[Chairman]**

[SEC. 2. The Chairman of the Board of Governors shall preside at all meetings of the Board and the Exchange. He may call special meetings of the Exchange, the Board of Governors, or any committee of the Exchange. He shall be an ex-officio member, with the right to vote except as otherwise designated in the Constitution or the Rules, of all committees except the Nominating, Audit, and Judiciary Committees; provided, however, that the Chairman will be an ex officio member of the Audit Committee if he is one of the elected Governors. He shall also have such other duties, authority, and obligations as may be given to him by the Board of Governors or the Executive Committee.]

### **[Vice Chairman]**

[SEC. 3. The Vice Chairman of the Board of Governors shall perform the functions of the Chairman in his absence or inability to act. He shall, subject to the approval of the Board of Governors, appoint all standing and special committees of the Exchange except the Nominating Committee and Judiciary Committees. The Vice Chairman shall nominate persons to fill any vacancy occurring in the Board of Governors or in the Member Committee member positions of

the Nominating Committee. He shall also have such other duties, authority, and obligations as may be given to him by the Board of Governors or the Executive Committee.]

### **Chief Executive Officer**

SEC. 4. The Chief Executive Officer of the Corporation[Exchange] shall be responsible to the Board for the management of its business affairs. The office shall be his principal occupation to which he shall devote his full time except with approval of the Board. He shall not be a Participant[member of the Exchange] or affiliated in any way with a Participant [member organization] during his incumbency. The Chief Executive Officer shall be appointed by the Board of Directors[Governors] to serve at its pleasure and for such compensation as it may from time to time fix. He shall have the power and it shall be his duty, except as otherwise provided in the Corporation's c[C]ertificate of i[I]ncorporation, these bylaws[Constitution] or the Corporation's rules[Rules of the Exchange], to execute and carry out all orders and directions of the Board of Directors[Governors], the Executive Committee, or any other committee of the Corporation[Exchange]; to enforce the provisions of these bylaws[the Constitution] and the r[R]ules and regulations adopted pursuant thereto; and to promote the welfare and interests of the Corporation[Exchange]. On any appeal to the Board of Directors[Governors] or to a committee from his decisions, he shall disqualify himself from any participation in the appeal proceedings, except as required of him by the Board or the committee. He may call special meetings of [the Exchange, ]the Board of Directors[Governors] or of any committee and special meetings of the stockholders. He shall have the power to appoint, dismiss and, in consultation with the Compensation Committee, fix the compensation of all officers (except the Chief Executive Officer [and Vice Chairman of the Board]) and employees of the Corporation[Exchange], and, [as] to the extent so provided in their respective by[-]laws, he shall have the same power with respect to the officers of subsidiaries of the Corporation[Exchange]. [In the absence of specific action by the Board of Governors, he shall have the authority to represent the Exchange and to vote, on behalf of the Exchange, the securities of other corporations owned by the Exchange.] He shall in general have all powers and duties usually incident to the office of chief executive officer and such other powers and duties as may be prescribed by these bylaws[the Constitution] or the Corporation's rules[Rules] or by the Board of Directors[Governors] from time to time. He may delegate such powers, or any of them, to any other officer of the Corporation[Exchange], to be exercised under his supervision and control. In case of his temporary absence or inability to act, he may designate any other officer to assume all the functions and discharge all the duties of the Chief Executive Officer. Upon his failure so to do, or if the office of Chief Executive Officer is[be] vacant, the Board of Directors[Governors] shall designate an officer to perform the functions and duties of the Chief Executive Officer. When the Chief Executive Officer returns, or is again able to act, he shall resume his duties.

### **Officers Appointed by Chief Executive Officer**

SEC. 5. All officers appointed by the Chief Executive Officer shall perform such duties as the Chief Executive Officer may prescribe and shall be responsible to him for the performance of their duties. The Treasurer shall receive and take charge of all moneys of the Corporation[Exchange] and make disbursement thereof. He shall report fully to the Board at such time or times as the Board may require. The Secretary of the [Exchange]Corporation shall

act as Secretary of the Board of Directors[Governors] and the Executive Committee [and as chairman of the committee which conducts Exchange elections] and he shall keep and have charge of all records and papers of the Corporation[Exchange]. Reports and notices shall be properly filed when delivered to him or, in his absence, to another officer of the Corporation[Exchange]. The President, if any, shall have the duties and responsibilities assigned by the Chief Executive Officer from time to time. He shall not be a Participant [member] or affiliated in any way with a Participant[member organization] during his incumbency and shall not be eligible to serve on the Nominating and Governance, Audit, Regulatory Oversight or Judiciary Committees. Except in those instances in which the authority to execute is expressly delegated to a specific officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these bylaws, each officer appointed by the Chief Executive Officer may execute for the Corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized and may (without previous authorization by the Board of Directors) execute such contracts and other instruments as the conduct of the Corporation's business in its ordinary course requires.

**[ARTICLE IX]**  
**[Business Conduct]**

**[Summary Suspension]**

[SEC. 1. A member or member organization failing to perform his or its contracts, being insolvent, or being in such financial or operational condition or otherwise conducting his or its business in such a manner that, in the judgment of the Board of Governors or the Chief Executive Officer, he or it cannot be permitted to continue in business with safety to his or its customers, creditors or the Exchange, may be summarily suspended from membership and declared not in good standing with the Exchange. Suspension and reinstatement shall be governed by the Rules.]

**[Discipline]**

[SEC. 2. The Exchange shall have authority to discipline any member organization violating any provision of the Constitution or Rules of the Exchange. Discipline may be by censure, fine, suspension, expulsion or as the Board of Governors may determine. The Exchange, as and to the extent provided in the Rules, shall have regulatory and disciplinary jurisdiction over partners of member firms; officers, directors and principal stockholders of member corporations; employees of members and member organizations; subsidiaries of member organizations; parent firms and principal officers and subsidiaries of parent firms. As and to the extent provided in the Rules, the disciplinary authority of the Exchange over any person or organization occupying a status described by this section shall continue after the termination of such status with respect to acts or omissions occurring prior to such termination. Disciplinary proceedings shall be in accordance with the Rules.]

**[Contracts]**

[SEC. 3. Contracts of a member or member organization who or which has been

suspended, expelled or otherwise is not in good standing as provided in the Rules or who or which has transferred his or its membership may be closed under the Rules.]

## **[ARTICLE VIII]**

### **[Exchange Contracts And Clearing Corporation]**

#### **[Exchange Contracts]**

[SEC. 1. All contracts pertaining to securities listed or admitted to unlisted trading privileges on the Exchange between members or member organizations or between members or member organizations and non-members as provided in the Rules for the purchase, sale, borrowing, loaning or hypothecation of such securities, or for the borrowing, loaning or payment of money in connection with a transaction in such securities, whether occurring on the Floor of the Exchange or elsewhere, shall be Exchange Contracts, unless made subject to the rules of another market. Contracts pertaining to other securities may be made Exchange Contracts by agreement of the parties.]

#### **[Terms and Conditions]**

[SEC. 2. The terms and conditions of all Exchange Contracts shall be deemed to include the provisions of the Certificate of Incorporation, Constitution, Rules of the Exchange, By-Laws and the Rules of the registered clearing agency or agencies through which the Contract is to be cleared and settled. All such contracts shall be subject to the exercise by the Board of Governors and the appropriate registered clearing agency of the powers with respect thereto vested in them by the Certificate of Incorporation, Constitution, Rules of the Exchange and by the By-laws and Rules of the appropriate registered clearing agency.]

#### **[Delivery and Payment]**

[SEC. 3. The comparison of data respecting the terms of settlement of Exchange Contracts and the resolution of any disagreements about the terms of such Contracts shall be accomplished by the parties thereto through the facilities and in accordance with the Rules of the Exchange. On every Exchange Contract clearance and settlement shall be made through and in accordance with the By-Laws and Rules of a registered clearing agency, unless it is otherwise mutually agreed by the parties to the contract.]

[A party to an Exchange Contract who is not a participant in a registered clearing agency shall cause the transaction to be cleared and settled for him or it by a member organization who is a participant in a registered clearing agency; however, such non-clearing member having both the purchase and selling orders of a proposed transaction may have such transaction completed on the Exchange without the services of a clearing agency participant, provided it is duly reported to the Exchange for comparison.]

[ARTICLE IX]

**[Dissolution And Liquidation]**

**[Dissolution of Exchange]**

[SEC. 1. The affirmative vote of at least three-quarters of the equity members shall be required in order to dissolve the Exchange; in all other respects, the procedure to propose and vote upon dissolution shall be as required by the General Corporation Law of Delaware.]

**[Liquidation of Assets]**

[SEC. 2. After payment of all obligations of the Exchange, any remaining assets shall be sold and the net proceeds distributed in aliquot parts to the persons and organizations owning memberships at the time of the vote to dissolve the Exchange irrespective of whether such persons and organizations were entitled to vote on such dissolution.]

ARTICLE VI[X]

**INDEMNIFICATION[Indemnification]**

SEC. 1. The Corporation[Exchange] shall, to the fullest extent permitted by the General Corporation Law of Delaware or any other applicable laws, as may from time to time be in effect, indemnify any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director[Governor], officer or member of a committee of the Corporation[Exchange], or is or was serving at the request of the Corporation[Exchange] as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding.

Expenses (including attorneys' fees) incurred by a director, officer, or member of a committee of the Corporation in defending a civil, criminal, administrative or investigative action, suit or proceeding, including appeals, shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director, officer or member of a committee to repay such amount if it shall be ultimately determined that he is not entitled to be indemnified as authorized by the General Corporation Law of the State of Delaware; provided, however, that the Corporation shall not be required to advance any expenses to a person against whom the Corporation directly brings a claim alleging that such person (a) has breached such person's duty of loyalty to the Corporation, (b) committed an act or omission not in good faith, (c) committed an act of intentional misconduct or a knowing violation of law, or (d) derived an improper personal benefit from a transaction.

To the fullest extent that the General Corporation Law of the State of Delaware, as it exists on the date hereof or as it may hereafter be amended, permits the limitation or elimination of the liability of directors[Governors], no director[Governor] of the Corporation[Exchange] shall be liable to the Corporation[Exchange] or its stockholders[members] or its Participants for monetary damages for breach of fiduciary duty as a director[Governor], except where such liability arises directly or indirectly as a result of a violation of the federal securities laws. No amendment to or repeal of this Article shall apply to or have any effect on the liability of any director[Governor] of the Corporation[Exchange] for or with respect to any acts or omissions of such director[Governor] occurring prior to such amendment or repeal.

### **Contract**

SEC. 2. The provisions of this Article VI[X] shall be deemed to be a contract between the Corporation[Exchange] and each director[Governor], officer or member of a committee of the Corporation[Exchange] who serves in any such capacity at any time while this Article and the relevant provisions of the General Corporation Law of Delaware or other applicable law, if any, are in effect, and any repeal or modification of any such law or of this Article VI[X] shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

### **Discretionary Indemnification Coverage**

SEC. 3. Persons not expressly covered by the foregoing provisions of this Article VI[X], such as those (a) who are or were employees or agents of the Corporation[Exchange], or are or were serving at the request of the Corporation[Exchange] as employees or agents of another corporation, partnership, joint venture, trust or other enterprise, or (b) who are or were directors, officers, employees or agents of a constituent corporation absorbed in a consolidation or merger in which the Corporation[Exchange] was the resulting or surviving corporation, or who are or were serving at the request of such constituent corporation as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise, may be indemnified to the extent authorized at any time or from time to time by the Board of Directors[Governors].

### **Continuity of Indemnification**

SEC. 4. The indemnification provided or permitted by this Article VI[X] shall not be deemed exclusive of any other rights to which those indemnified may be entitled by law or otherwise, and shall continue as to a person who has ceased to be a director[Governor], officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

### **Corporation[Exchange] Not Liable**

SEC. 5. The Corporation shall not be liable for any loss or damage sustained by a Participant[member] or Participant Firm[member organization] growing out of the use or

enjoyment by such Participant[member] or Participant Firm[member organization] of the facilities afforded by the Corporation[Exchange] or its subsidiaries.

## **ARTICLE VII[XI]**

### **AMENDMENTS**[Amendments]

#### **Bylaws**[Constitution]

SEC. 1. These bylaws may be amended or repealed, or new bylaws may be adopted, by the Board of Directors. These bylaws may also be amended or repealed, or new bylaws may be adopted, by action taken by the stockholders of the Corporation. [Before submission to vote by the members any proposed amendment to the Constitution shall be approved by the affirmative vote of two thirds of the Governors present at the meeting at which the proposal is considered. After such proposed amendment has been approved by the Board of Governors, it shall be submitted to a meeting of members, and shall become effective if approved by the vote of a majority of the members present in person or by proxy at such meeting.]

#### **Rules**

SEC. 2. The r[R]ules of the Corporation may be amended or repealed, or new rules may be adopted, by the [affirmative vote of two-thirds of the members of the ]Board of Directors[Governors present at a meeting at which such amendment is proposed or by the affirmative vote of two-thirds of the members of the Executive Committee].

## **ARTICLE VIII**

### **CERTIFICATES OF STOCK AND THEIR TRANSFER**

#### **Form and Execution of Certificates**

SEC. 1. Every holder of stock in the Corporation shall be entitled to have a certificate signed by, or in the name of, the Corporation by the Chairman, the Chief Executive Officer or the president or a vice president and by the secretary or an assistant secretary of the Corporation, certifying the number of shares owned. Such certificates shall be in such form as may be determined by the Board of Directors. In case any officer, transfer agent or registrar of the Corporation who has signed, or whose facsimile signature has been placed upon, any such certificate shall have ceased to be such officer, transfer agent or registrar of the Corporation before such certificate is issued by the Corporation, such certificate may nevertheless be issued and delivered by the Corporation with the same effect as if the officer, transfer agent or registrar who signed, or whose facsimile signature was placed upon, such certificate had not ceased to be such officer, transfer agent or registrar.

### **Conditions to Transfer**

SEC. 2. No sale, transfer or other disposition of stock of the Corporation shall be effected except (a) pursuant to an effective registration statement under the Securities Act of 1933 (the "Securities Act") in accordance with all applicable state securities laws; (b) upon delivery to the Corporation of an opinion of counsel satisfactory to the counsel for the Corporation that such sale, transfer or other disposition may be effected pursuant to a valid exemption from the registration requirements of the Securities Act and all applicable state securities laws; (c) upon delivery to the Corporation of such certificates or other documentation as counsel to the Corporation shall deem necessary or appropriate in order to ensure that such sale, transfer or other disposition complies with the Securities Act and all applicable state securities laws; or (d) pursuant to such procedures as the Chief Executive Officer may adopt from time to time with respect to such transactions.

### **Replacement Certificates**

SEC. 3. The Board of Directors may direct a new certificate to be issued in place of any certificate evidencing shares of stock of the Corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of the fact by the person claiming the certificate to be lost, stolen or destroyed. When authorizing such issue of a new certificate, the Board of Directors may, in its discretion and as a condition precedent to the issuance of the new certificate, require the owner of such lost, stolen or destroyed certificate, or his legal representative, to advertise the same in such manner as it shall require and may require such owner to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed. The Board of Directors may delegate its authority to direct the issuance of replacement stock certificates to the transfer agent or agents of the corporation upon such conditions precedent as may be prescribed by the Board.

### **Transfers of Stock**

SEC. 4. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares of stock of the Corporation duly endorsed or accompanied by proper evidence of succession, assignment or other authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled to the new certificate, cancel the old certificate and record the transaction upon its books, provided the Corporation or a transfer agent of the Corporation shall not have received a notification of adverse interest and that the conditions of Section 8-401 of Title 6 of the Delaware Code have been met.

### **Registered Stockholders**

SEC. 5. The Corporation shall be entitled to treat the holder of record (according to the books of the Corporation) of any share or shares of its stock as the holder in fact of those shares and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other party whether or not the Corporation shall have express

or other notice of that claim or interest, except as expressly provided by the laws of the State of Delaware.

## **ARTICLE IX**

### **CONTRACTS, LOANS, CHECKS AND DEPOSITS**

#### **Contracts**

SEC. 1. The Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; provided, however, that this Section 1 shall not be a limitation on the powers of office granted under Article V of these bylaws.

#### **Loans**

SEC. 2. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

#### **Checks, Drafts and Other Instruments**

SEC. 3. All checks, drafts or other orders for the payment of money and all notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers or such agent or agents of the Corporation and in such manner as from time to time may be determined by a resolution of the Board of Directors or by an officer or officers of the Corporation designated by the Board to make such determination.

#### **Deposits**

SEC. 4. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors, or an officer or officers designated by the Board of Directors, may select.

## **ARTICLE X**

### **SELF-REGULATORY FUNCTION OF THE CORPORATION**

#### **Management of the Corporation**

SEC. 1. In connection with managing the business and affairs of the Corporation, the Board of Directors shall consider applicable requirements for registration as a national securities exchange under Section 6(b) of the Exchange Act of 1934 (the "Exchange Act"),

including, without limitation, the requirements that (a) the rules of the Corporation shall be designed to protect investors and the public interest and (b) the Corporation shall be so organized and have the capacity to carry out the purposes of the Exchange Act and to enforce compliance by its members, as that term is defined in Section 3 of the Exchange Act (such statutory members being referred to in the Corporation’s bylaws and rules as “Participants”) and persons associated with Participants, with the provisions of the Exchange Act, the rules and regulations under the Act and the rules of the Corporation.

### **Participation in Board and Committee Meetings**

SEC. 2. All meetings of the Board of Directors of the Corporation (and any committees of the Corporation) pertaining to the self-regulatory function of the Corporation (including disciplinary matters) or relating to the structure of the market which the Exchange regulates shall be closed to all persons other than members of the Board of Directors and officers, staff, counsel or other advisors whose participation is necessary or appropriate to the proper discharge of such regulatory functions and any representatives of the United States Securities and Exchange Commission. In no event shall members of the Board of Directors of CHX Holdings, Inc. who are not also members of the Board of Directors of the Corporation or any officers, staff, counsel or advisors of CHX Holdings, Inc. who are not also officers, staff, counsel or advisors of the Corporation be allowed to participate in any meetings of the Board of Directors of the Corporation (or any committees of the Corporation) pertaining to the self-regulatory function of the Corporation (including disciplinary matters) or relating to the structure of the market which the Corporation regulates.

### **Confidentiality of Information and Records Relating to SRO Function**

SEC. 3. All books and records of the Corporation reflecting confidential information pertaining to the self-regulatory function of the corporation (including but not limited to disciplinary matters, trading data, trading practices, and audit information) shall be retained in confidence by the Corporation and its personnel and will not be used by the Corporation for any non-regulatory purposes and shall not be made available to any persons (including, without limitation, any Participants) other than to those personnel of the Corporation, members of committees of the Corporation, members of the Board of Directors of the Corporation, hearing officers and other agents of the Corporation to the extent necessary or appropriate to properly discharge the self-regulatory responsibilities of the Corporation.

### **Maintenance of Books and Records**

SEC. 4. All books and records of the Corporation, including minutes of meetings of the Board of Directors and of the Corporation’s committees, shall be maintained by the Secretary of the Exchange at a location within the United States.

### **Regulatory Fees and Penalties**

SEC. 5. Any revenues received by the Corporation from regulatory fees or regulatory penalties will be applied to fund the legal and regulatory operations of the Corporation

(including its surveillance and enforcement activities) and will not be used to pay dividends. For purposes of this Section, regulatory penalties shall include restitution and disgorgement of funds intended for customers.

## **ARTICLE X[XII]**

### **GENERAL PROVISIONS[General Provisions]**

#### **Fiscal Year**

SEC. 1. The fiscal year of the Corporation[Exchange] shall be as determined from time to time by the Board of Directors[Governors].

#### **Dividends**

SEC. 2. Subject to any provisions of any applicable statute or of the certificate of incorporation, dividends may be declared upon the capital stock of the Corporation by the Board of Directors; and such dividends may be paid in cash, property or shares of stock of the Corporation.

#### **Reserves**

SEC. 3. Before payment of any dividends, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the Board of Directors from time to time, in its discretion, determines to be proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the Board of Directors shall determine to be conducive to the interests of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

#### **Subsidiary Corporations**

SEC. 4. The Board of Directors may constitute any officer of the Corporation its proxy, with power of substitution, to vote the stock of any subsidiary of the Corporation. In the absence of specific action by the Board of Directors, the Chief Executive Officer shall have authority to represent the Corporation and to vote, on behalf of the Corporation, the securities of other corporations, both domestic and foreign, held by the Corporation.

#### **Severability**

SEC. 5. If any provision of these bylaws, or the application of any provision of these bylaws to any person or circumstances, is held invalid, the remainder of these bylaws and the application of such provision to other persons or circumstances shall not be affected.