

**MEMORANDUM**

June 21, 2010

To: File No. SR-NYSE-2010-39  
File No. SR-NASDAQ-2010-061  
File No. SR-NSX-2010-05  
File No. SR-NYSEAmex-2010-46  
File No. SR-NYSEArca-2010-41  
File No. SR-BATS-2010-014  
File No. SR-CBOE-2010-047  
File No. SR-EDGA-2010-01  
File No. SR-EDGX-2010-01  
File No. SR-FINRA-2010-025  
File No. SR-ISE-2010-48  
File No. SR-BX-2010-037

File No.: S7-02-10

From: Gena Lai  
Office of Commissioner Troy A. Paredes

Re: Proposed Rule Changes to Provide for a Trading Pause for Individual Securities When the Price Moves 10 Percent or More

Concept Release on Equity Market Structure

On June 16, 2010, Commissioner Troy A. Paredes and Gena Lai, Counsel to the Commissioner, met with the following individuals: Thomas M. Joyce, Chairman & CEO, Knight Capital Group Inc.; Leonard J. Amoruso, Senior Managing Director and General Counsel, Knight Capital Group Inc.; David Fransiak, Attorney, Williams & Jensen. The participants discussed generally the above referenced rule filings and the Commission's Concept Release on Equity Market Structure. Mr. Amoruso provided the attached presentation, titled "Retail Execution Quality Review."



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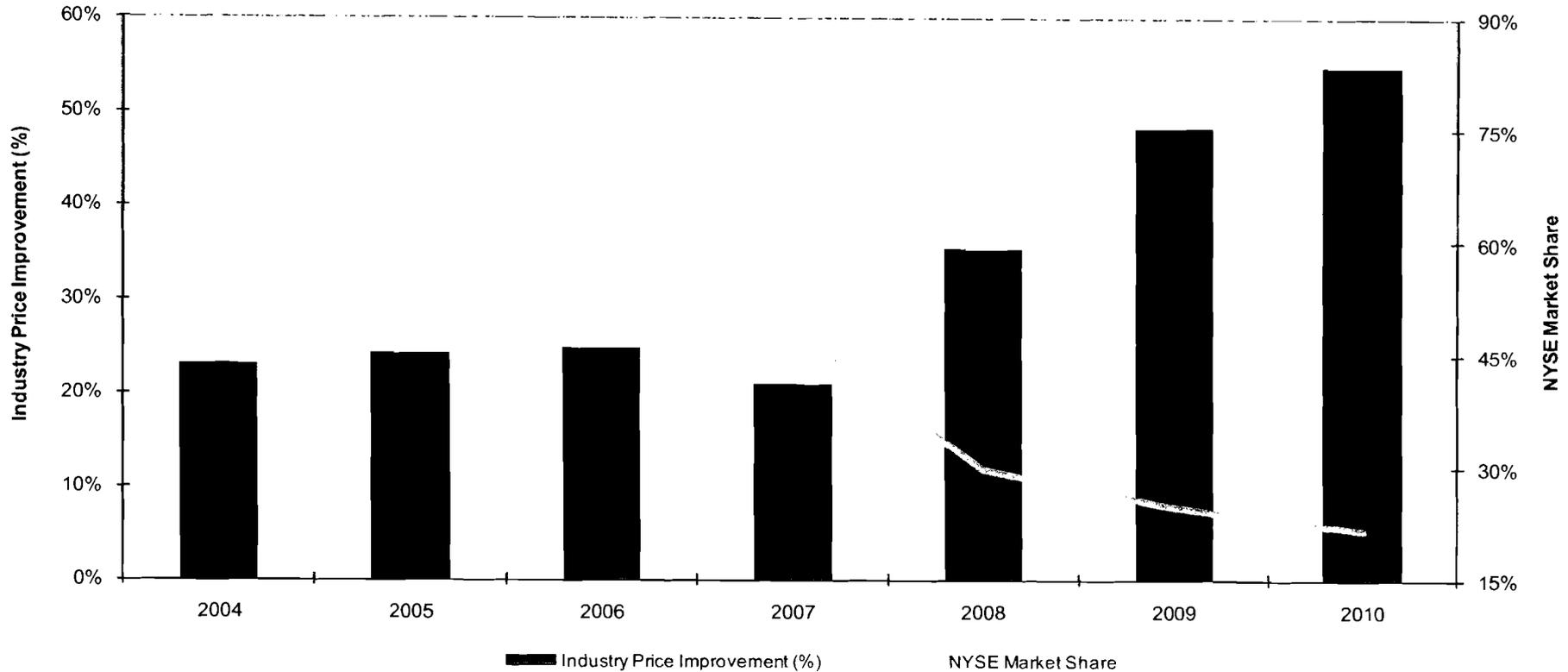
**Retail Execution Quality Review**  
*2004 – YTD 2010*



# Listed Execution Quality

## Price Improvement v. Exchange Market Share

Listed Market Review  
2004 - YTD April 2010



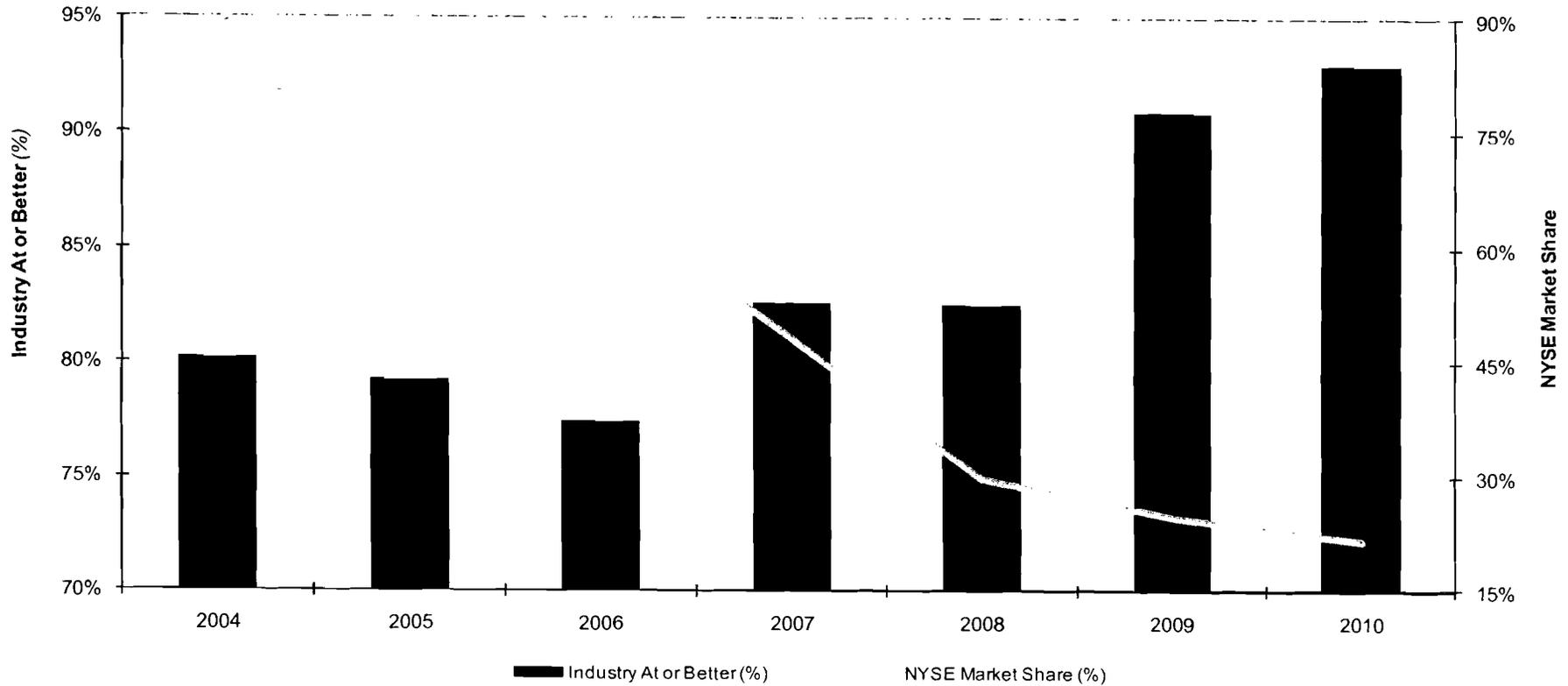
Calculations are for held market orders of order sizes 100-1999 shares.  
Data provided by Thomson Transaction Analytics.

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# Listed Execution Quality At or Better v. Exchange Market Share

Listed Market Review  
2004 - YTD April 2010



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Data provided by Thomson Transaction Analytics.

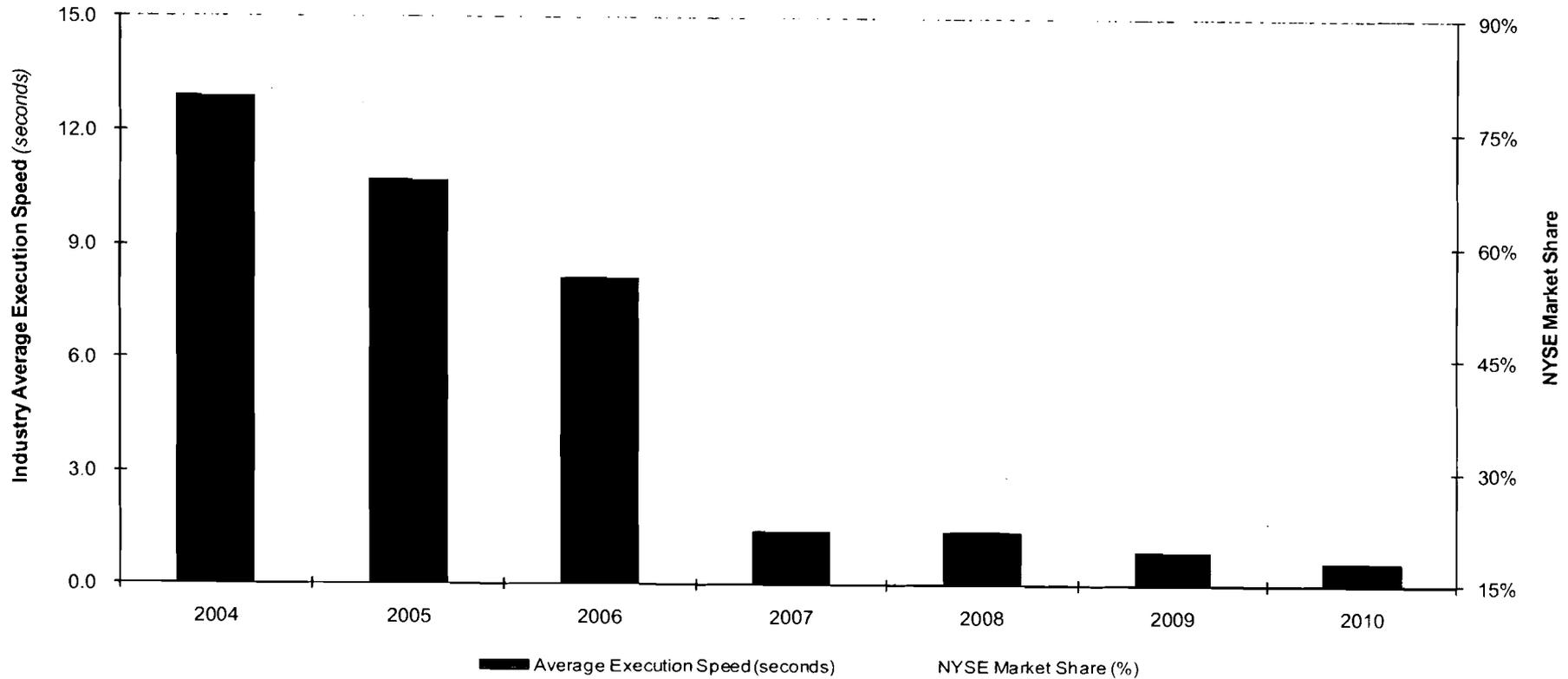
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# Listed Execution Quality

## Execution Speed v. Exchange Market Share

Listed Market Review  
2004 - YTD April 2010



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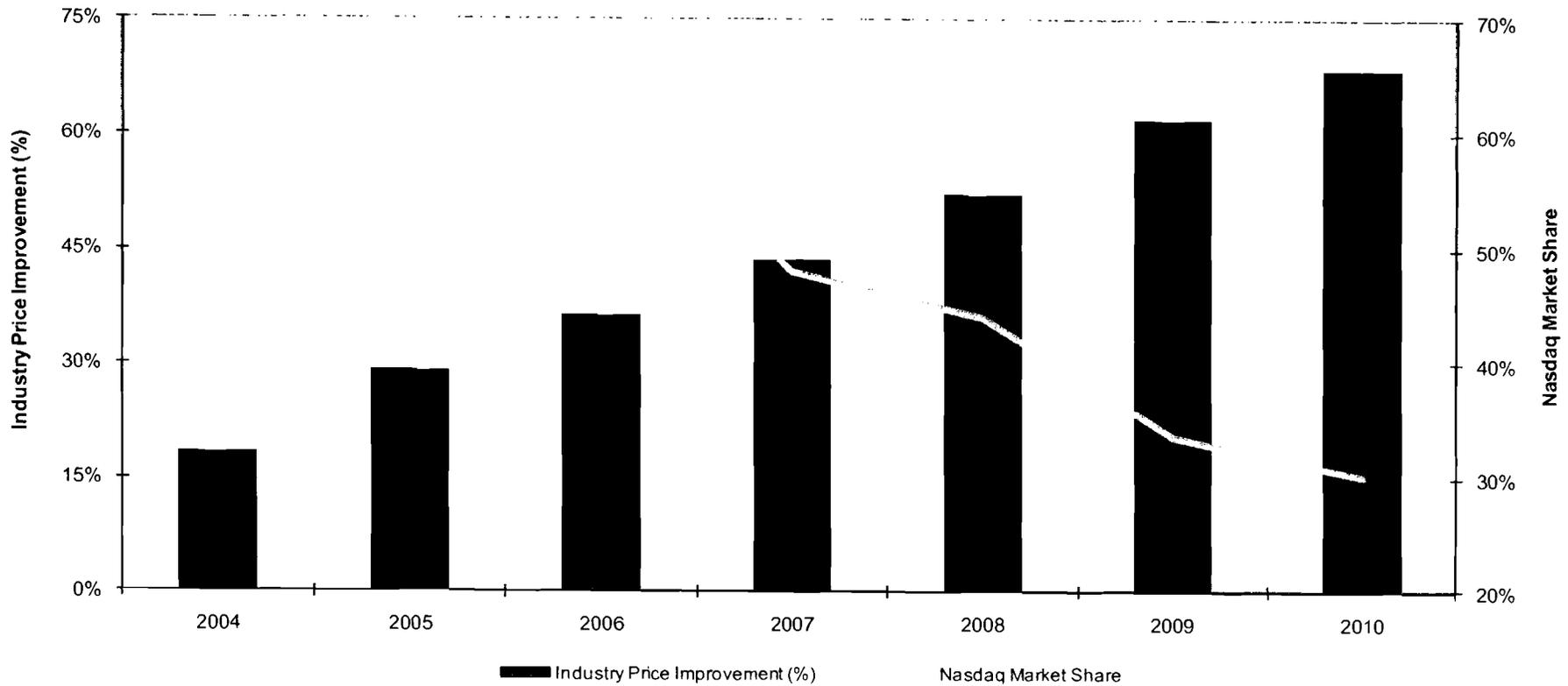
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# Nasdaq Execution Quality

## Price Improvement v. Exchange Market Share

Nasdaq Market Review  
2004 - YTD April 2010



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Data provided by Thomson Transaction Analytics.

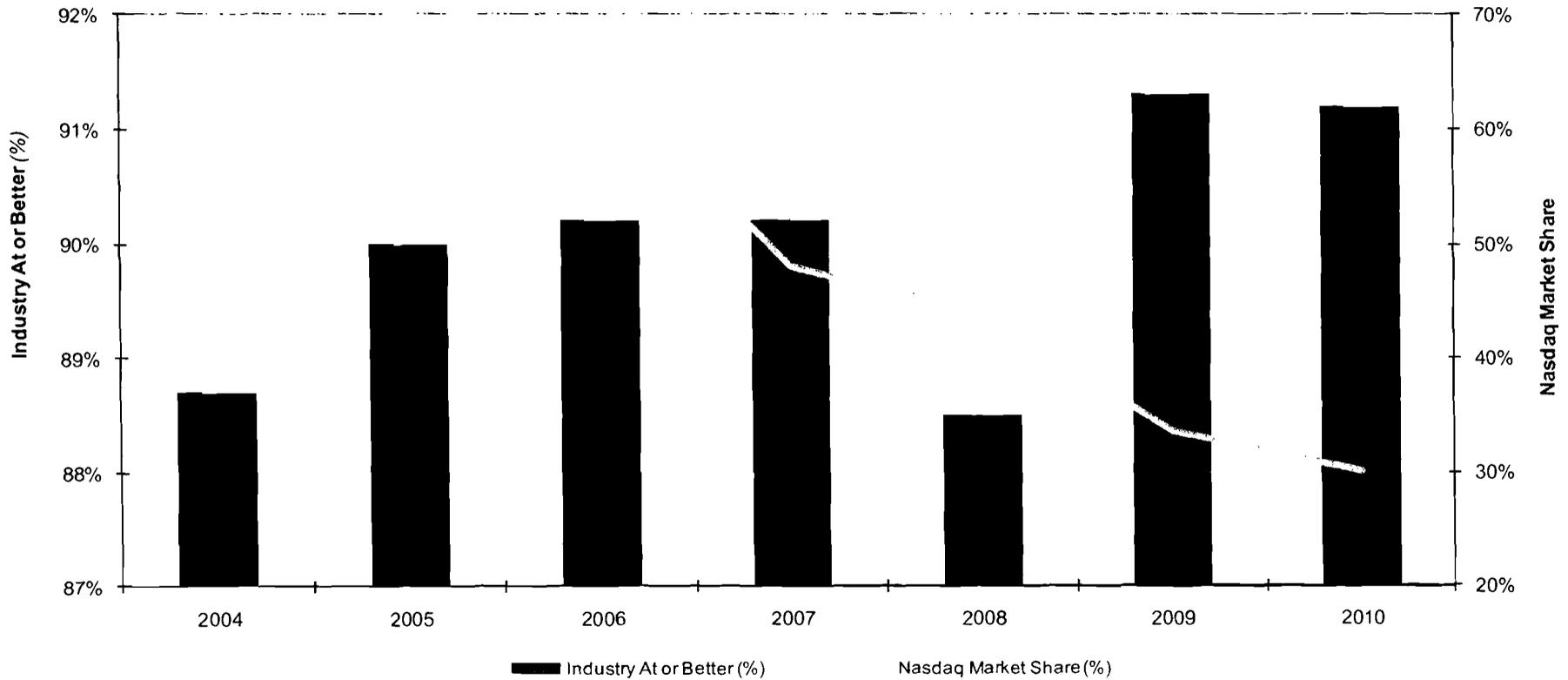
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# Nasdaq Execution Quality

## At or Better v. Exchange Market Share

Nasdaq Market Review  
2004 - YTD April 2010



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Data provided by Thomson Transaction Analytics.

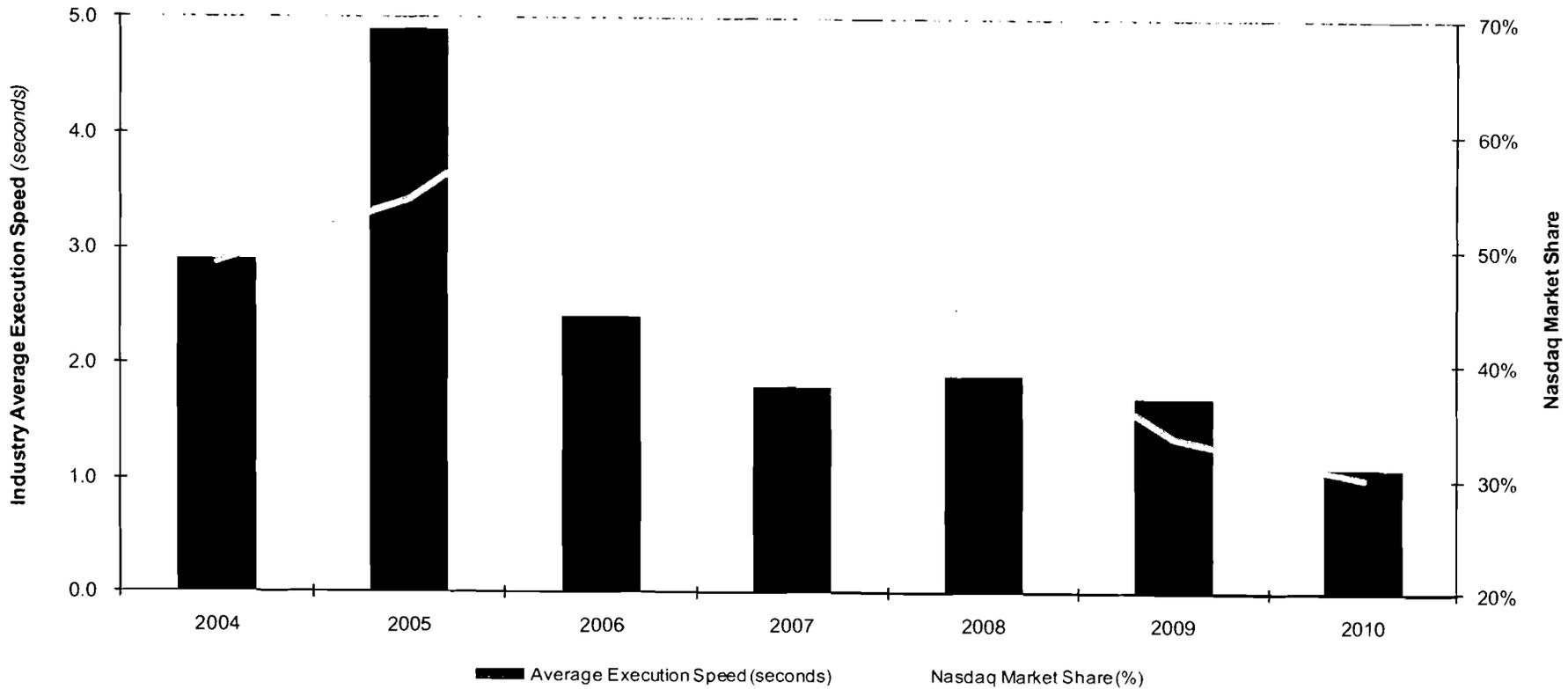
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# Nasdaq Execution Quality

## Execution Speed v. Exchange Market Share

Nasdaq Market Review  
2004 - YTD April 2010



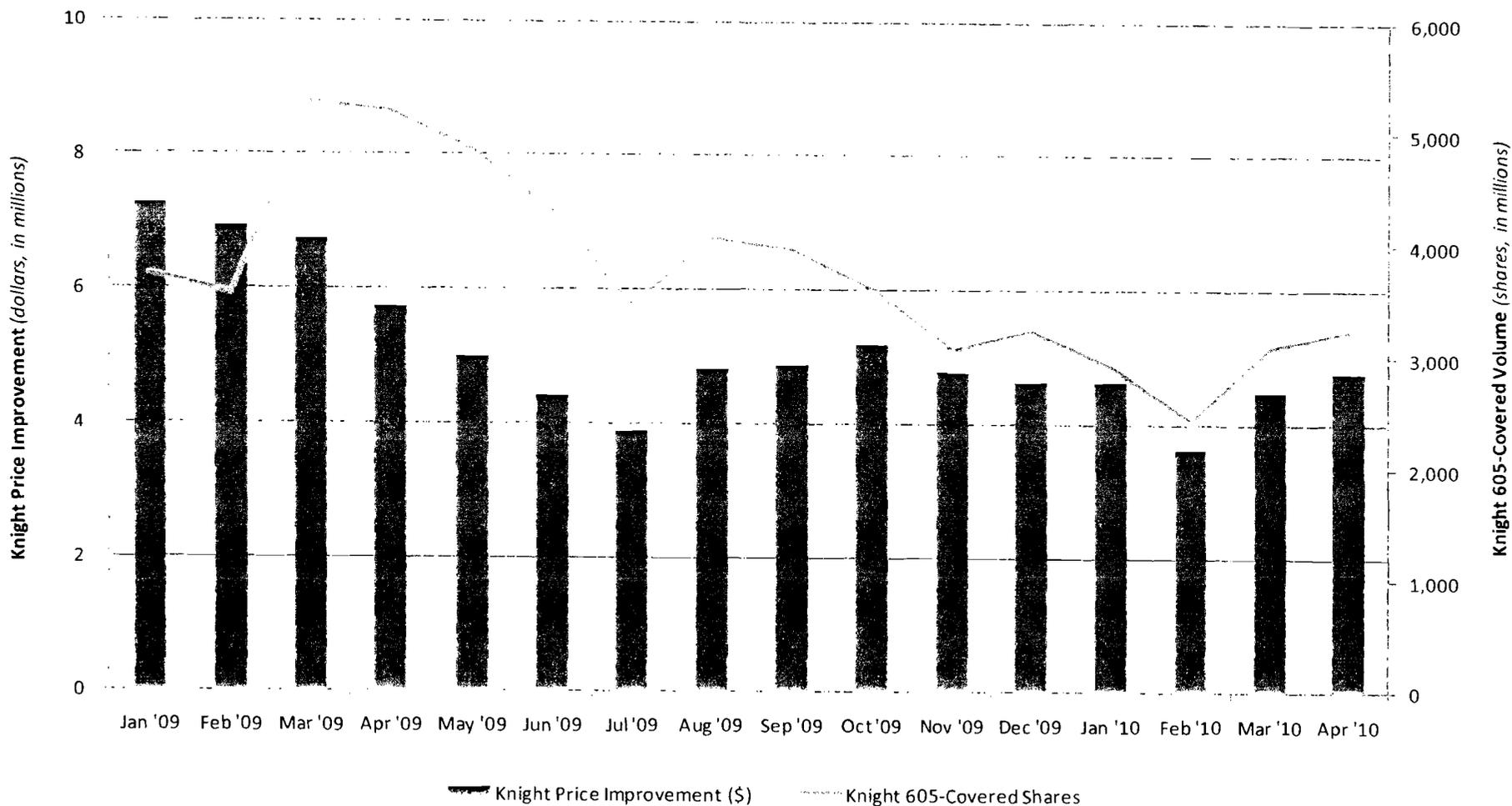
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# Knight Price Improvement

Knight Price Improvement & 605-Covered Share Volume



Calculations are for held market orders of order sizes 100-9999 shares.  
Data provided by Thomson Transaction Analytics.

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# Knight Enhanced Liquidity

	Enhanced Orders	Enhanced Shares	Enhanced Orders	Enhanced Shares
Nasdaq	47.70%	4,165,460,700	44.40%	1,750,661,100
Listed	43.10%	9,555,257,100	46.50%	5,842,537,700
<b>Total</b>	<b>44.20%</b>	<b>13,720,717,800</b>	<b>46.00%</b>	<b>7,593,198,800</b>

Market Orders  
 100-9999 shares  
 Data provided by Tag Auditing Group (TAG)

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