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October 9, 2015

VIA E-MAIL

Brent J. Fields
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: Securities Exchange Act Rel. 34-75721 (SR-NYSE-2015-35)

Dear Mr. Fields:

NYSE LLC; filed the attached Partial Amendment No. 3 to the above-referenced filing on October 8, 2015.

Sincerely,

A handwritten signature in blue ink, appearing to be "BJF".

Encl. (Partial Amendment No. 3 to SR-NYSE-2015-35)

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 58 SECURITIES AND EXCHANGE COMMISSION File No.* SR - 2015 - * 35
 WASHINGTON, D.C. 20549 Form 19b-4 Amendment No. (req. for Amendments *) 3

Filing by New York Stock Exchange
 Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input type="checkbox"/>	Amendment * <input checked="" type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	Rule <input type="checkbox"/> 19b-4(f)(1) <input type="checkbox"/> 19b-4(f)(4) <input type="checkbox"/> 19b-4(f)(2) <input type="checkbox"/> 19b-4(f)(5) <input type="checkbox"/> 19b-4(f)(3) <input type="checkbox"/> 19b-4(f)(6)		

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) <input type="checkbox"/> Section 806(e)(2) <input type="checkbox"/>	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) <input type="checkbox"/>
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Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description
 Provide a brief description of the action (limit 250 characters, required when Initial is checked *).
 Proposal to amend certain NYSE disciplinary rules to facilitate the reintegration of certain regulatory functions from Financial Industry Regulatory Authority Inc

Contact Information
 Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * David Last Name * De Gregorio
 Title * Senior Counsel NYSE Group Inc
 E-mail * [REDACTED]
 Telephone * [REDACTED] Fax [REDACTED]

Signature
 Pursuant to the requirements of the Securities Exchange Act of 1934,
 has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.
 (Title *)
 Date 10/08/2015 Assistant Secretary
 By Martha Redding [REDACTED]
 (Name *)
 NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.
 Martha Redding, [REDACTED]

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

Form 19b-4 Information *

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change, security-based swap submission, or advance notice being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

SR-NYSE-2015-35, Partial Amendment No. 3

New York Stock Exchange LLC (the “NYSE” or “Exchange”) hereby submits this Partial Amendment No. 3 to the above-referenced filing proposing to amend certain of its disciplinary rules to facilitate the reintegration of certain regulatory functions from Financial Industry Regulatory Authority, Inc. (“FINRA”) (the “Filing”). This Amendment No. 3 supersedes Amendment No.2 in its entirety.

In this Partial Amendment No. 3, the Exchange proposes amendments that would (1) clarify the scope of the proposed definition of “Interested Staff” in Rule 9120; and (2) set forth a process that would allow any letter of acceptance, waiver, and consent (“AWC”), any offer of settlement and the rejection of any AWC letter or uncontested offer of settlement to be called for review by the Exchange Board of Directors (the “Board”). These amendments, as well as additional non-substantive amendments to the Filing, are described in greater detail below and in the attached Exhibits 4 and 5.

1. Amendment of the Definition of “Interested Staff” in Proposed Rule 9120(t)

The Exchange proposes to amend proposed Rule 9120(t) to delete the word “Exchange” before the word “staff” in the definition of “Interested Staff.” As amended, “Interested Staff” would mean, in the context of any proceeding under the Code of Procedure, “Regulatory Staff or staff” who (i) report, directly or indirectly, to any Enforcement employee, or to the head of any department or office that issues a notice or decision or is designated as a Party under the Rule 9000 Series; (ii) directly participated in the authorization or initiation of a complaint or proceeding; (iii) directly participated in the proceeding; or (iv) directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and any person(s) who supervise such staff.

The proposed definition of “Interested Staff” is not intended to substantively amend the Rule and would encompass all staff referenced in and covered by the current definition. As in the current definition, the new definition of “Interested Staff” would encompass supervisory personnel up to the most senior level, including the Chief Regulatory Officer (“CRO”), when staff reporting to such supervisory personnel directly participated in the matter. The proposed amendment would make clear that “Interested Staff” encompasses, in addition to Regulatory Staff, any staff at the Exchange or FINRA that directly or indirectly participated in any proceeding brought under the Code of Procedure.

2. Call for Review Process

The Exchange proposes to amend Rules 9216, 9270 and 9310 to permit a director on the Board and any member of the Committee for Review (“CFR”)¹ to require a review by the

¹ The current CFR is a committee of the board of directors of NYSE Regulation, Inc. (“NYSE Regulation”). The Securities and Exchange Commission recently approved the NYSE’s filing to, among other things, establish a Regulatory Oversight Committee (“ROC”); terminate the agreement delegating regulatory functions to NYSE Regulation; and establish a CFR, modeled on the current

Board of any AWC letter under Rule 9216 and any offer of settlement under Rule 9270. The Exchange also proposes to permit any party to require a review by the Board of any rejection by the CRO or Hearing Panel or Extended Hearing Panel of an AWC letter or uncontested offer of settlement.

In connection with its adoption of disciplinary rules modeled on the FINRA Rules in 2013,² the Exchange retained a call for review process only with respect to determinations or penalties imposed by a Hearing Panel or Extended Hearing Panel.³ Now that the Exchange's rule change proposing termination of the agreement delegating regulatory responsibility to NYSE Regulation and creating a ROC and a CFR has been approved,⁴ the Exchange proposes to reinstate a process that permits review of settlements in a broader array of contexts, while also permitting review of any rejection of an AWC letter or uncontested offer of settlement.

a. Call for Review of AWC Letters and Offers of Settlement

The Exchange proposes to add a new subparagraph (B)(i) to Rule 9310(a)(1), providing that any Director and any member of the CFR may require a review by the Board of any determination or penalty, or both, imposed in connection with an AWC letter under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that none of those persons could request Board review of a determination or penalty concerning an Exchange member or member organization that is an affiliate of the Exchange.⁵ Under current Rule 9310(a)(1), the call for review process encompasses only determinations or penalties imposed by a Hearing Panel or Extended Hearing Panel, and thus is not available with respect to AWC letters and offers of settlement determined to be uncontested before a hearing on the merits has begun.

NYSE Regulation board committee, as a subcommittee of the ROC. See Securities Exchange Act Release No. 75991 (September 28, 2015), 80 FR 59837 (October 2, 2015) (SR-NYSE-2015-27) (“NYSE Approval Order”).

² See Securities Exchange Act Release No. 68678 (January 16, 2013), 78 FR 5213 (January 24, 2013) (SR-NYSE-2013-02).

³ See Rule 9310(a).

⁴ See NYSE Approval Order, 80 FR at 59837 and note 1, supra. Pursuant to the NYSE Approval Order, the CFR will be a sub-committee of the ROC. Consistent with this recent rule filing, the call for review process would be operative once the ROC and the CFR are created.

⁵ Conforming changes would be made to Rule 9216(a)(3) and (4) and Rule 9270(f)(3) and (g). Rule 9216(a)(3) would be further amended to provide that if an AWC letter is rejected by the CRO, the member organization or covered person who executed the letter would be notified in writing and the letter deemed withdrawn.

The Exchange further proposes that a request for review would be made by filing with the Secretary of the Exchange a written request stating the basis and reasons for such review, within 25 days after an AWC letter or an offer of settlement has been sent to each Director and each member of the CFR pursuant to Rule 9216(a)(4) or Rule 9270(f)(3). The Exchange proposes that the Secretary of the Exchange would give notice of any such request for review to the parties.

Given the Exchange's proposal to replace FINRA Office of Disciplinary Affairs approvals of settlements with CRO approvals, the Exchange believes that allowing Directors and CFR members to call additional categories of settlements for Board review provides an additional, appropriate check and balance to the settlement process.

b. Call for Review of Rejected AWC Letters and Offers of Settlement

In addition to broadening the types of settlements with respect to which a Director or member of the CFR may require Board review, the Exchange proposes that any party could require a review by the Exchange Board of Directors of any rejection by the CRO of an AWC letter under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that no party could request Board review of a rejection of an AWC letter or offer of settlement concerning an Exchange member or member organization that is an affiliate of the Exchange. Under new subparagraph (B)(ii) of proposed Rule 9310(a)(1), such a request for review would be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notification pursuant to Rule 9216(a)(3) or Rule 9270(h) that an AWC letter or uncontested offer of settlement or order of acceptance is not accepted by the CRO. The Exchange proposes that the Secretary of the Exchange would give notice of any such request for review to the parties.

Thus, while current Rule 9310(a)(1) permits parties to request Board review of a determination by a Hearing Panel or Extended Hearing Panel to reject an uncontested offer of settlement, the proposed rule change would also allow parties to request Board review of any rejection of an AWC letter or uncontested offer of settlement by the CRO. The Exchange believes that the proposed rule, permitting parties to request Board review of any rejection of a settlement that has been agreed upon by a respondent and Enforcement, whether such rejection is by the CRO or by a Hearing Panel or Extended Hearing Panel, constitutes an appropriate check and balance to the settlement process.

c. Time Period for Call for Review

The Exchange believes that the 25-day period to request review under proposed Rule 9310(a)(1)(B) is reasonable and sufficient. The proposed 25-day period is consistent with the period applicable to review of a determination or penalty imposed by a Hearing Panel or Extended Hearing Panel under the Rule 9200 Series in current Rule 9310(a)(1). The proposed rule change is also consistent with the 25-day period for Board review of a Stipulation and Consent (or rejection thereof) set forth in legacy Rule 476(g) and in the

rules of the Exchange's affiliate NYSE MKT.⁶ Similarly, the proposed rule change is consistent with the 25-day period for requesting review of a default decision under Rule 9269(d).

d. Additional Non-Substantive Amendments Relating to the Call for Review Process

As set forth in the attached Exhibits, current Rule 9310(a)(1) would be renumbered as Rule 9310(a)(1)(A). In addition, the Exchange proposes to amend Rule 9310(a)(2) to provide that the transmission of the record of a disciplinary proceeding applies only to review of determinations made or penalties imposed by a Hearing Panel or Extended Hearing Panel under renumbered proposed paragraph (a)(1)(A), and not to determinations made or penalties imposed pursuant to an AWC letter, an offer of settlement determined to be uncontested before a hearing on the merits has begun, and an AWC letter or offer of settlement rejected by the CRO, inasmuch as no hearing record would exist in those circumstances.

In connection with these proposed amendments, the Exchange also proposes to make conforming amendments to the text of Rules 9216 and 9270.

All other representations in the Filing remain as stated therein and no other changes are being made.

⁶ See NYSE MKT Rule 476(g).

Additions: Underlined
Deletions: [Bracketed]
Marked Additions: Double-underlined
Marked Deletions: ~~Strikethrough~~

Rules of New York Stock Exchange LLC

Rule 476. Disciplinary Proceedings Involving Charges Against Members, Member Organizations, Principal Executives, Approved Persons, Employees, or Others

Rule 476 shall apply only to a proceeding for which a Charge Memorandum has been filed with the hearing board under Rule 476(d) prior to July 1, 2013 or for which a written Stipulation and Consent has been submitted to a Hearing Officer prior to July 1, 2013 and shall continue to apply until such proceeding is final; otherwise, the Rule 8000 Series and Rule 9000 Series shall apply. Notwithstanding the preceding sentence, after July 1, 2013, the offenses under Rule 476(a) shall be subject to the Rule 9000 Series procedures.[The Exchange may issue a written notice of suspension for non-payment of a fine under Rule 476(k) until July 1, 2013; thereafter, Rule 8320 shall apply.]

Rule 8000. INVESTIGATIONS AND SANCTIONS

Rule 8100. GENERAL PROVISIONS

Rule 8120. Definitions

(a) No Change

(b) The terms "Adjudicator,"[and] "covered person" and "Regulatory Staff" shall have the meaning as defined in Rule 9120.

Rule 8200. INVESTIGATIONS

Rule 8210. Provision of Information and Testimony and Inspection and Copying of

Books

(a) Authority of Adjudicator and Exchange Staff

For the purpose of an investigation, complaint, examination, or proceeding authorized by Exchange rules, an Adjudicator or Exchange staff shall have the right to:

(1) – (2) No Change

In performing the functions of investigation, complaint, examination, or proceeding authorized by Exchange rules, the CRO and Regulatory Staff shall function independently of the commercial interests of the Exchange and the commercial interests of the member organizations.

(b) – (g) No Change

Rule 9000. CODE OF PROCEDURE

Rule 9001. Effective Date of Rule 9000 Series

Rule 476 shall apply only to a proceeding for which a Charge Memorandum has been filed with the hearing board under Rule 476(d) prior to July 1, 2013 or for which a written Stipulation and Consent has been submitted to a Hearing Officer prior to July 1, 2013 and shall continue to apply until such proceeding is final; otherwise, the Rule 8000 Series and Rule 9000 Series shall apply. Notwithstanding the preceding sentence, after July 1, 2013, the offenses under Rule 476(a) shall be subject to the Rule 9000 Series procedures.

Rule 9100. APPLICATION AND PURPOSE

Rule 9110. Application

(a) Proceedings

The Rule 9000 Series is the Code of Procedure and includes proceedings for disciplining a member organization or covered person; proceedings for regulating the activities of a member organization experiencing financial or operational difficulties; proceedings for summary or non-summary suspensions, cancellations, bars, prohibitions, or limitations; and proceedings for obtaining relief from the eligibility requirements of the Exchange's rules. The Rule 9100 Series is of general applicability to all proceedings set forth in the Rule 9000 Series, unless a Rule specifically provides otherwise. In performing the functions under the Code, the CRO and Regulatory Staff shall function independently of the commercial interests of the Exchange and the commercial interests of the member organizations.

(b) No Change

(c) Incorporation of Defined Terms and Cross References

Unless otherwise provided and where applicable, terms used in the Rule 9000 Series shall have the meaning as defined in Rule 9120 and applicable rules of the Exchange. [References within the Rule 9000 Series to Exchange offices or departments refer to offices so designated by the Exchange.]

Rule 9120. Definitions

(a) – (l) No Change

(m) "Enforcement"

The term "Enforcement" refers to (A) any department reporting to the CRO of the Exchange with responsibility for investigating or, when appropriate after compliance with the Rule 9000 Series, imposing sanctions on a member organization or covered person; (B) the Department of Enforcement of FINRA; and (C) the Department of Market Regulation of FINRA.

(m)n "Exchange"

The term "Exchange" shall have the meaning as defined in Rule 1.

(n)o "Extended Hearing"

The term "Extended Hearing" means a disciplinary proceeding described in Rule 9231(c).

(o)p "Extended Hearing Panel"

The term "Extended Hearing Panel" means an Adjudicator that is constituted under Rule 9231(c) to conduct a disciplinary proceeding that is classified as an "Extended Hearing" and is governed by the Rule 9200 Series.

(p)q "Floor-Based Panelist"

The term "Floor-Based Panelist" means a Panelist selected in accordance with Rule 9232(c) who is, or if retired, was, active on the Floor of the Exchange.

(q) "Head of Enforcement"

The term "Head of Enforcement" means the individual that manages the Department of Enforcement, or his or her delegatee in the Department of Enforcement.

(r) "Head of Market Regulation"

The term "Head of Market Regulation" means the individual that manages the Department of Market Regulation, or his or her delegatee in the Department of Market Regulation.]

([s]r) "Hearing Officer"

The term "Hearing Officer" means an employee of FINRA who is an attorney and who is appointed by the Chief Hearing Officer to act in an adjudicative role and fulfill various adjudicative responsibilities and duties described in the Rule 9200 Series regarding disciplinary proceedings, the Rule 9550 Series regarding expedited proceedings, and the Rule 9800 Series regarding temporary cease and desist proceedings brought against member organizations and covered persons.

([t]s) "Hearing Panel"

The term "Hearing Panel" means an Adjudicator that is constituted under Rule 9231 to conduct a disciplinary proceeding governed by the Rule 9200 Series or that is constituted under the Rule 9520 Series or the Rule 9550 Series to conduct a proceeding.

([u]t) "Interested Staff"

The term "Interested Staff" means, in the context of[:

(1) a disciplinary] any proceeding under the Code of Procedure, [Rule 9200 Series and the Rule 9300 Series:

- (A) the Head of Enforcement;
- (B) an employee of the Department of Enforcement who reports, directly or indirectly, to the Head of Enforcement;
- (C) an Exchange employee who directly participated in the authorization of the complaint;
- (D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific disciplinary proceeding, and a district director or department head to whom such employee reports;
- (E) the Head of Market Regulation; or
- (F) an employee of the Department of Market Regulation who reports, directly or indirectly, to the Head of Market Regulation] Regulatory Staff or Exchange staff who:

(A) report, directly or indirectly, to any Enforcement employee, or to the head of any department or office that issues a notice or decision or is designated as a Party under the Rule 9000 Series; or

(B)(i) directly participated in the authorization or initiation of a complaint or proceeding, (ii) directly participated in the proceeding, or (iii) directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and any person(s) who supervise such staff.[];

(2) a proceeding under the Rule 9520 Series or Rule 9550 Series:

(A) the head of the department or office that issues the notice or is designated as a Party;

(B) an Exchange employee who reports, directly or indirectly, to such person;

(C) an Exchange employee who directly participated in the authorization or initiation of the proceeding; or

(D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and a district director or department head to whom such employee reports; or

(3) a proceeding under the Rule 9600 Series:

(A) the head of the department or office that issues the decision granting or denying an exemption or is designated as a Party;

(B) an Exchange employee who reports, directly or indirectly, to such person;

(C) an Exchange employee who directly participated in the exemption proceeding; or

(D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific exemption proceeding, and a district director or department head to whom such employee reports.

(v) **"Office of Disciplinary Affairs"**

The term "Office of Disciplinary Affairs" means the Office of Disciplinary Affairs for FINRA.]

([w]u) **"Office of Hearing Officers"**

The term "Office of Hearing Officers" means the Office of Hearing Officers for FINRA.

(~~x~~) "Panelist"

The term "Panelist," as used in the Rule 9200 Series, means a member of a Hearing Panel or Extended Hearing Panel who is not a Hearing Officer.

(~~y~~) "Party"

With respect to a particular proceeding, the term "Party" means:

- (1) in the Rule 9200 Series and the Rule 9300 Series, and the Rule 9800 Series, Enforcement[the Department of Enforcement or the Department of Market Regulation] or a Respondent;
- (2) in the Rule 9520 Series, the Department of Member Regulation or a member organization that is the subject of a notice or files an application under Rule 9522;
- (3) in the Rule 9550 Series, the Exchange department or office that issued the notice or, if another Exchange department or office is named as the party handling the matter on behalf of the issuing department or office, the Exchange department or office that is so designated or a member organization or covered person that is the subject of a notice under the Rule 9550 Series; or
- (4) in the Rule 9600 Series, the department or office designated under Rule 9620 to issue the decision granting or denying an exemption or a member organization that seeks the exemption under Rule 9610.

(~~x~~) "Regulatory Staff"

The term "Regulatory Staff," and for purposes of the Rule 8000 Series and Rule 9000 Series (except for Rule 9557), the term "Exchange staff," refers to (A) any officer or employee reporting, directly or indirectly, to the CRO of the Exchange; and (B) FINRA staff acting on behalf of the Exchange in connection with the Rule 8000 Series and Rule 9000 Series.

(~~z~~) "Respondent"

The term "Respondent" means, in a disciplinary proceeding governed by the Rule 9200 Series and in a review governed by the Rule 9300 Series, a member organization or a covered person against whom a complaint is issued.

Rule 9130. Service; Filing of Papers

Rule 9131. Service of Complaint

(a) Service on Each Party

Except as provided below, a complaint shall be served on each Party by Enforcement[the

Department of Enforcement or the Department of Market Regulation]. When counsel for a Party or other person authorized to represent others under Rule 9141 agrees to accept service of the complaint, then Enforcement[the Department of Enforcement or Department of Market Regulation] may serve the complaint on counsel for a Party or other person authorized to represent others under Rule 9141 as specified in Rule 9134(a).

(b) - (c) No Change

Rule 9141. Appearance and Practice; Notice of Appearance

(a) - (b) No Change

(c) [Reserved.]One Year Revolving Door Restriction

No former Regulatory Staff shall, within a period of one year immediately following termination of employment with the Exchange or FINRA, make an appearance before an Adjudicator on behalf of any other person in a proceeding under the Rule 9000 Series.

Rule 9146. Motions

(k) Motion For Protective Order

(1) A Party, a person who is the owner, subject, or creator of a Document subject to production under Rule 8210 or any other Rule which may be introduced as evidence in a disciplinary proceeding, or a witness who testifies at a hearing in a disciplinary proceeding may file a motion requesting a protective order to limit disclosure or prohibit from disclosure to other Parties, witnesses or other persons, except Regulatory Staff[the Department of Enforcement and the Department of Market Regulation and other Exchange staff], Documents or testimony that contain confidential information. The motion shall include a general summary or extract of the Documents or testimony without revealing confidential details. If the movant seeks a protective order against disclosure to other Parties, copies of the Documents shall not be served on the other Parties. Unless the Documents are unavailable, the movant shall file for in camera inspection a sealed copy of the Documents for which the order is sought. If the movant is not a Party, the motion shall be served on each Party by the movant using a method in Rule 9134(a) and filed with the Adjudicator. A motion for a protective order shall be granted only upon a finding that disclosure of the Document or testimony would have a demonstrated adverse business effect on the movant or would involve an unreasonable breach of the movant's personal privacy.

(2) If a protective order is granted, the order shall set forth the restrictions on use and disclosure of such Document or testimony. An Adjudicator does not have the authority to issue a protective order that would limit in any manner the use by [Exchange staff]Regulatory Staff of such Documents or testimony in the staff's performance of their regulatory and self-regulatory responsibilities and functions, including the transmittal, without restriction to the recipient, of such Documents or testimony to state, federal, or foreign regulatory authorities or other self-regulatory organizations. An Adjudicator does not have the authority to issue a protective order that purports to protect from production such Documents or testimony in the event that the Exchange is subject to a subpoena requiring that the Documents or testimony be produced.

Rule 9200. DISCIPLINARY PROCEEDINGS

Rule 9210. Complaint and Answer

Rule 9211. Authorization of Complaint

(a) Complaint

(1) If [the Department of Enforcement or the Department of Market Regulation believes]Enforcement has reason to believe that any member organization or covered person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which the Exchange has jurisdiction to enforce, Enforcement[the Department of Enforcement or the Department of Market Regulation] may request authorization from the CRO[Office of Disciplinary Affairs] to issue a complaint.

(2) The Exchange Board of Directors shall have the authority to direct the CRO[Office of Disciplinary Affairs] to authorize and Enforcement[the Department of Enforcement or the Department of Market Regulation] to issue a complaint when, on the basis of information and belief, the Exchange Board of Directors is of the opinion that any member organization or covered person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which the Exchange has jurisdiction to enforce.

Rule 9212. Complaint Issuance — Requirements, Service, Amendment, Withdrawal, and Docketing

(a) Form, Content, Notice, Docketing, and Service

(1) [If a complaint is authorized, the Department of Enforcement or the Department of Market Regulation shall issue the complaint.]Each complaint shall be in writing and

signed by authorized Enforcement staff[the Department of Enforcement or the Department of Market Regulation]. The complaint shall specify in reasonable detail the conduct alleged to constitute the violative activity and the rule, regulation, or statutory provision the Respondent is alleged to be violating or to have violated. If the complaint consists of several causes of action, each cause shall be stated separately. Complaints shall be served by [the Department of Enforcement or the Department of Market Regulation] Enforcement on each Party pursuant to Rules 9131 and 9134, and filed at the time of service with the Office of Hearing Officers pursuant to Rules 9135, 9136, and 9137.

(2) At the time of issuance of a complaint, Enforcement[the Department of Enforcement or the Department of Market Regulation] may propose:

(A) an appropriate location for the hearing; and

(B) if the complaint alleges at least one cause of action involving activities on the Floor of the Exchange, that the Chief Hearing Officer select a Floor-Based Panelist for the Hearing Panel, or, if applicable, the Extended Hearing Panel as described in Rule 9231.

(b) Amendments to Complaint

Enforcement[The Department of Enforcement or the Department of Market Regulation] may file and serve an amended complaint once as a matter of course at any time before the Respondent answers the complaint. Otherwise, upon motion by Enforcement [the Department of Enforcement or the Department of Market Regulation], the Hearing Officer may permit Enforcement[the Department of Enforcement or the Department of Market Regulation] to amend the complaint, including amendments so as to make the complaint conform to the evidence presented, after considering whether Enforcement[the Department of Enforcement or the Department of Market Regulation] has shown good cause for the amendment and whether any Respondent will suffer any unfair prejudice if the amendment is allowed. Amendments to complaints will be freely granted when justice so requires.

(c) Withdrawal of Complaint

With prior leave of the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] may withdraw a complaint. If Enforcement[the Department of Enforcement or the Department of Market Regulation] withdraws the complaint before the earlier of

(1) the Hearing Panel's or, if applicable, the Extended Hearing Panel's, issuance of a ruling on a motion for summary disposition, or

(2) the start of the hearing on the merits, the withdrawal of the complaint by Enforcement[the Department of Enforcement or the Department of Market

Regulation] shall be without prejudice and Enforcement[the Department of Enforcement or the Department of Market Regulation] shall be permitted to refile a case based on allegations concerning the same facts and circumstances that are set forth in the withdrawn complaint.

If Enforcement[the Department of Enforcement or the Department of Market Regulation] requests to withdraw such complaint after the occurrence of either of the two events set forth in (1) and (2) in this paragraph, the Hearing Panel or, if applicable, the Extended Hearing Panel, after considering the facts and circumstances of the request, shall determine whether the withdrawal shall be granted with prejudice.

(d) No Change

Rule 9213. Assignment of Hearing Officer and Appointment of Panelists to Hearing Panel or Extended Hearing Panel

(a) Assignment of Hearing Officer

As soon as practicable after Enforcement[the Department of Enforcement or the Department of Market Regulation] has filed a complaint with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the disciplinary proceeding and shall serve the Parties with notice of the Hearing Officer's assignment pursuant to Rule 9132.

Rule 9215. Answer to Complaint

(f) Failure to Answer, Default

If a Respondent does not file an answer or make any other filing or request related to the complaint with the Office of Hearing Officers within the time required, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall send a second notice to such Respondent requiring an answer within 14 days after service of the second notice. The second notice shall state that failure of the Respondent to reply within the period specified shall allow the Hearing Officer, in the exercise of his or her discretion, pursuant to Rule 9269 to:

(1) treat as admitted by the Respondent the allegations in the complaint; and

(2) issue a default decision against the Respondent. If the Respondent fails to file an answer with the Office of Hearing Officers within the time required, the Hearing Officer may issue a default decision against the Respondent pursuant to Rule 9269.

Rule 9216. Acceptance, Waiver, and Consent; Plan Pursuant to SEA Rule 19d-1(c)(2)

(a) Acceptance, Waiver, and Consent Procedures

(1) Notwithstanding Rule 9211, if Enforcement[the Department of Enforcement or the Department of Market Regulation] has reason to believe a violation has occurred and the member organization or covered person does not dispute the violation, Enforcement[the Department of Enforcement or the Department of Market Regulation] may prepare and request that the member organization or covered person execute a letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such member organization's or covered person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right to review by the Exchange Board of Directors, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by [Exchange staff]Regulatory Staff.

(2) No Change

(3) If the member organization or covered person executes the letter of acceptance, waiver, and consent, it shall be submitted to the [Office of Disciplinary Affairs]CRO. The [Office of Disciplinary Affairs]CRO may[, on behalf of the Exchange Board of Directors,] accept or reject such letter. If the letter is rejected by the CRO, the member organization or covered person who executed the letter shall be notified in writing and the letter shall be deemed withdrawn.

(4) If the letter is accepted by the CRO[Office of Disciplinary Affairs], it shall be sent to each Director and each member of the Committee for Review via courier, express delivery or electronic means, and shall be deemed final and shall constitute the complaint, answer, and decision in the matter, 25 days after it is sent to each Director and each member of the Committee for Review, unless review by the Exchange Board of Directors is requested pursuant to Rule 9310(a)(1)(B). If the letter is rejected by the CRO[Office of Disciplinary Affairs], the Exchange may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the member organization or covered person shall not be prejudiced by the execution of the letter of acceptance, waiver, and consent under paragraph (a)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

(b) Procedure for Violation Under Plan Pursuant to SEA Rule 19d-1(c)(2)

(1) Notwithstanding Rule 9211, the Exchange may, subject to the requirements set forth in paragraphs (b)(2) through (b)(4) and in SEA Rule 19d-1(c)(2), impose a fine (not to exceed \$2,500) and/or a censure on any member organization or covered person with

respect to any rule listed in Rule 9217. If Enforcement[the Department of Enforcement or the Department of Market Regulation] has reason to believe a violation has occurred and if the member organization or covered person does not dispute the violation, Enforcement[the Department of Enforcement or the Department of Market Regulation] may prepare and request that the member organization or covered person execute a minor rule violation plan letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such member organization's or covered person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of review by the Exchange Board of Directors, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by [Exchange staff]Regulatory Staff.

(2) No Change

(3) If the member organization or covered person executes the minor rule violation plan letter, it shall be submitted to the CRO[Office of Disciplinary Affairs]. The CRO[Office of Disciplinary Affairs], on behalf of the SRO Board, may accept or reject such letter.

(4) If the letter is accepted by the CRO[Office of Disciplinary Affairs], it shall be deemed final and the Exchange shall report the violation to the SEC as required by the SEC pursuant to a plan approved under SEA Rule 19d-1(c)(2). If the letter is rejected by the CRO[Office of Disciplinary Affairs], the Exchange may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the member organization or covered person shall not be prejudiced by the execution of the minor rule violation plan letter under paragraph (b)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

Rule 9217. Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)

Any member organization or covered person may be subject to a fine under Rule 9216(b) with respect to any rules listed below.

- Rule 123C - Failure to adhere to entry and cancellation procedures for limit-at-the-close and market-at-the-close orders.

Rule 9232. Criteria for Selection of Panelists, Replacement Panelists, and Floor-Based Panelists

(b) The [Chairman of the Exchange Board of Directors, subject to the approval the]Exchange Board of Directors shall from time to time appoint a hearing board to be composed of such number of members and former allied members of the Exchange who are not members of the Exchange Board of Directors and registered employees and nonregistered employees of member organizations. Former members, allied members, or registered and non-registered employees of member organizations who have retired from the securities industry may be appointed to the hearing board. The members of the hearing board shall be appointed annually and shall serve at the pleasure of the Exchange Board of Directors.

Rule 9242. Pre-hearing Submission

(b) [Reserved.]Prohibition on Serving as Expert Witness

No former Regulatory Staff shall, within a period of one year immediately following termination of employment with the Exchange or FINRA, provide expert testimony on behalf of any other person in any proceeding under the Rule 9000 Series. Nothing in this Rule shall prohibit former Regulatory Staff from testifying as a witness on behalf of the Exchange or FINRA.

Rule 9250. Discovery

Rule 9251. Inspection and Copying of Documents in Possession of Staff

(a) Documents to be Available for Inspection and Copying

(1) Unless otherwise provided by this Rule, or by order of the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall make available for inspection and copying by any Respondent, Documents prepared or obtained by Interested Staff in connection with the investigation that led to the institution of proceedings. Such Documents include but are not limited to:

(A) requests for information issued pursuant to Rule 8210;

- (B) every other written request directed to persons not employed by the Exchange to provide Documents or to be interviewed;
- (C) the Documents provided in response to any such requests described in (A) and (B) above;
- (D) all transcripts and transcript exhibits; and
- (E) all other Documents obtained from persons not employed by the Exchange.

(2) [The Department of Enforcement or the Department of Market Regulation]Enforcement shall promptly inform the Hearing Officer and each other Party if, after the issuance of a complaint, requests for information under Rule 8210 are issued under the same investigative file number under which the investigation leading to the institution of disciplinary proceedings was conducted. If Interested Staff receives Documents pursuant to a request for information under Rule 8210 after Documents have been made available to a Respondent for inspection and copying as set forth in paragraph (a), and if such Documents are material and relevant to the disciplinary proceeding in which such Respondent is a Party, the additional Documents shall be made available to the Respondent not later than 14 days after the Interested Staff receives such Documents. If a hearing on the merits is scheduled to begin, Interested Staff shall make the additional Documents available to the Respondent not less than ten days before the hearing. If Interested Staff receives such Documents ten or fewer days before a hearing on the merits is scheduled to begin or after such hearing begins, Interested Staff shall make the additional Documents available immediately to the Respondent.

(3) Nothing in paragraph (a)(1) shall limit the discretion of [the Department of Enforcement or the Department of Market Regulation]Enforcement to make available any other Document or the authority of the Hearing Officer to order the production of any other Document.

(b) Withheld Documents

(1) [The Department of Enforcement or the Department of Market Regulation]Enforcement may withhold a Document if:

- (A) the Document is privileged or constitutes attorney work product;
- (B) the Document is an examination or inspection report, an internal memorandum, or other note or writing prepared by an Exchange employee that shall not be offered in evidence;
- (C) the Document would disclose:

- (i) an examination, investigatory or enforcement technique or guideline of the Exchange, a federal, state, or foreign regulatory authority, or a self-regulatory organization;
 - (ii) the identity of a source, including a federal, state, or foreign regulatory authority or a self-regulatory organization that furnished information or was furnished information on a confidential basis regarding an investigation, an examination, an enforcement proceeding, or any other type of civil or criminal enforcement action; or
 - (iii) an examination, an investigation, an enforcement proceeding, or any other type of civil or criminal enforcement action under consideration by, or initiated by, the Exchange, a federal, state, or foreign regulatory authority, or a self-regulatory organization; or
- (D) the Hearing Officer grants leave to withhold a Document or category of Documents as not relevant to the subject matter of the proceeding, or for other good cause shown.

(2) [The Department of Enforcement or the Department of Market Regulation]Enforcement shall withhold a Document if the Document is prohibited from disclosure by federal law.

(3) Nothing in paragraph (b)(1) authorizes [the Department of Enforcement or the Department of Market Regulation]Enforcement to withhold a Document, or a part thereof, that contains material exculpatory evidence.

(c) Withheld Document List

The Hearing Officer may require Enforcement[the Department of Enforcement or the Department of Market Regulation] to submit to the Hearing Officer a list of Documents withheld pursuant to paragraph (b) or to submit to the Hearing Officer any Document withheld. Upon review, the Hearing Officer may order Enforcement[the Department of Enforcement or the Department of Market Regulation] to make the list or any Document withheld available to the other Parties for inspection and copying unless federal law prohibits disclosure of the Document or its existence. A motion to require Enforcement[the Department of Enforcement or the Department of Market Regulation] to produce a list of Documents withheld pursuant to paragraph (b) shall be based upon some reason to believe that a Document is being withheld in violation of the Code.

(d) Timing of Inspection and Copying

The Hearing Officer shall determine the schedule of production of documents pursuant to this Rule. Unless otherwise ordered by the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall commence making

Documents available to a Respondent for inspection and copying pursuant to this Rule not later than 21 days after service of the Respondent's answer or, if there are multiple Respondents, not later than 21 days after the last timely answer is filed. If a Respondent in a multi-Respondent case fails to answer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall make Documents available to all other Respondents not later than the later of:

(1) 21 days after the filing date of the last timely answer, or

(2) the expiration of the second period provided for filing an answer as set forth in Rule 9215(f).

(e) - (f) No Change

(g) Failure to Make Documents Available — Harmless Error

In the event that a Document required to be made available to a Respondent pursuant to this Rule is not made available by Enforcement[the Department of Enforcement or the Department of Market Regulation], no rehearing or amended decision of a proceeding already heard or decided shall be required unless the Respondent establishes that the failure to make the Document available was not harmless error. The Hearing Officer, or, upon review under Rule 9310, the Exchange Board of Directors, shall determine whether the failure to make the document available was not harmless error, applying applicable Exchange, FINRA, SEC, and federal judicial precedent.

Rule 9253. Production of Witness Statements

(a) Availability

Notwithstanding the provisions of Rule 9251(b),

(1) A Respondent in a disciplinary proceeding may file a motion requesting that Enforcement[the Department of Enforcement or the Department of Market Regulation] produce for inspection and copying any statement of any person called or to be called as a witness by Enforcement[the Department of Enforcement or the Department of Market Regulation] that pertains, or is expected to pertain, to his or her direct testimony and which is "a stenographic, mechanical, electrical, or other recording, or a transcription thereof, which is a substantially verbatim recital of an oral statement made by said witness and recorded contemporaneously with the making of such oral statement," as that phrase is used in 18 U.S.C. §3500(e)(2).

(2) A Respondent in a disciplinary proceeding may also file a motion requesting that Enforcement[the Department of Enforcement or the Department of Market Regulation] produce for inspection and copying any contemporaneously written

statement made by an Interested Staff member during a routine examination or inspection about the substance of oral statements made by a non-Exchange person when

(A) either the Interested Staff member or non-Exchange person is called as a witness by Enforcement[the Department of Enforcement or the Department of Market Regulation], and

(B) that portion of the statement for which production is sought directly relates to the Interested Staff member's testimony or the testimony of the non-Exchange witness.

(b) Failure to Produce — Harmless Error

In the event that a statement required to be made available for inspection and copying by a Respondent is not provided by Enforcement[the Department of Enforcement or the Department of Market Regulation], there shall be no rehearing of a proceeding already heard, or issuance of an amended decision in a proceeding already decided, unless the Respondent establishes that the failure to provide the statement was not harmless error. The Hearing Officer, or upon review under Rule 9310, the Exchange Board of Directors, shall determine whether the failure to provide any statement was not harmless error, applying applicable Exchange, FINRA, SEC, and federal judicial precedent.

Rule 9264. Motion for Summary Disposition

(a) Pre-hearing

After a Respondent's answer has been filed and Documents have been made available to that Respondent for inspection and copying pursuant to Rule 9251, the Respondent or Enforcement[the Department of Enforcement or the Department of Market Regulation], without leave of the Hearing Officer, may make a motion for summary disposition of any or all the causes of action in the complaint with respect to that Respondent, as well as any defense raised in a Respondent's answer. All pre-hearing motions for summary disposition and supporting papers shall be filed at least 21 days before the time set for the hearing, or at such earlier time as ordered by the Hearing Officer. Notwithstanding the provisions of Rule 9146(d), any opposition or response to a pre-hearing motion for summary disposition shall be filed at least seven days before the time set for the hearing.

(b) After Commencement of Hearing on Merits

After a hearing on the merits has commenced, a Respondent or Enforcement[the Department of Enforcement or the Department of Market Regulation] may make a motion for summary disposition of any or all of the causes of action in the complaint with respect to that Respondent or defenses raised in that Respondent's answer only with leave of the Hearing Officer.

(c) – (e) No Change

Rule 9269. Default Decisions

(a) Issuance of Default Decisions

(1) The Hearing Officer may issue a default decision against a Respondent that fails to answer the complaint within the time afforded under Rule 9215, or a Party that fails to appear at a pre-hearing conference held pursuant to Rule 9241 of which the Party has due notice, or a Party that fails to appear at any hearing that the Party is required to attend under the Rule 9200 Series of which the Party has due notice.

(2) If the defaulting Party is the Respondent, the Hearing Officer may deem the allegations against that Respondent admitted. If the Defaulting Party is Enforcement[the Department of Enforcement or the Department of Market Regulation], the Hearing Officer may issue a default decision ordering that the complaint be dismissed with prejudice.

(3) The Hearing Officer may order a Party that fails to appear at the prehearing conference or the hearing to pay the costs incurred by other Parties in connection with their appearance.

(b) – (c) No Change

(d) Final Disciplinary Action of the Exchange; Effectiveness of Sanctions

If a request for a review of a default decision is not filed pursuant to Rule 9310 within 25 days after the date the Office of Hearing Officers serves it on the Parties, the default decision shall become the final disciplinary action of the Exchange for purposes of SEA Rule 19d-1(c)(1). Unless otherwise provided in the default decision, the sanctions shall become effective on a date to be determined by [Exchange staff]Regulatory Staff, except that a bar or expulsion shall become effective immediately upon the default decision becoming the final disciplinary action of the Exchange. The decision shall be served on a Respondent by courier or other means reasonably likely to obtain prompt service when the sanction is a bar or an expulsion.

Rule 9270. Settlement Procedure

(c) Content and Signature Requirements

An offer of settlement shall be in writing and signed by the person making the offer, and, if the person is represented by counsel or a representative, signed also by the counsel or representative. The offer of settlement shall contain in reasonable detail:

(1) a statement describing the investigative or other origin of the disciplinary action;

(2) the specific statutory or rule provisions that the member organization or covered person is alleged to have violated;

(3) a statement containing the acts or practices which the member organization or covered person is alleged to have engaged in or omitted;

(4) a statement consenting to findings of fact and violations consistent with the statements contained in the offer of settlement required by paragraphs (c)(2) and (c)(3); and

(5) a description of the proposed sanction and the effective date of any sanction(s) imposed, or a statement that the effective date of the sanction(s) will be a date to be determined by [Exchange staff]Regulatory Staff.

(d) No Change

(e) Contested Offers of Settlement Deemed Rejected

If a Respondent makes an offer of settlement and [the Department of Enforcement or the Department of Market Regulation]Enforcement opposes it, the offer of settlement is contested. A contested offer of settlement shall be deemed rejected, shall not be transmitted to the Office of Hearing Officers, [Office of Disciplinary Affairs]CRO, or Hearing Panel or Extended Hearing Panel, and shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(f) Uncontested Offers of Settlement

If a Respondent makes an offer of settlement and [the Department of Enforcement or the Department of Market Regulation]Enforcement does not oppose it, the offer of settlement is uncontested. If an offer of settlement is determined to be uncontested by Enforcement[the Department of Enforcement or the Department of Market Regulation] before a hearing on the merits has begun, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall transmit the uncontested offer of settlement and a proposed order of acceptance to the CRO[Office of Disciplinary Affairs] with its recommendation. If an offer of settlement is determined to be uncontested by [the Department of Enforcement or the Department of Market Regulation]Enforcement after a hearing on the merits has begun, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall transmit the

offer of settlement and a proposed order of acceptance to the Hearing Panel or, if applicable, the Extended Hearing Panel to be accepted or not accepted.

(1) A proposed order of acceptance shall make findings of fact, including a statement of the rule, regulation, or statutory provision violated, and impose sanctions consistent with the terms of the offer of settlement.

(2) Before an offer of settlement and an order of acceptance shall become effective, they shall be submitted to and accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel, or if applicable, Extended Hearing Panel. The [Office of Disciplinary Affairs]CRO, Hearing Panel, or if applicable, Extended Hearing Panel, may or may not accept such offer of settlement and order of acceptance.

(3) If the offer of settlement and order of acceptance are accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel or, if applicable, Extended Hearing Panel, they shall be issued and shall be sent to each Director and each member of the Committee for Review via courier, express delivery or electronic means[become final]. The offer of settlement and order of acceptance shall become final 25 days after they are sent to each Director and each member of the Committee for Review, unless review by the Exchange Board of Directors is requested pursuant to Rule 9310(a)(1).

(g) ~~No Change~~Final Disciplinary Action of the Exchange

The proceeding shall conclude as of the date the order of acceptance is [issued]final. The final order of acceptance shall constitute final disciplinary action of the Exchange. The sanction shall take effect as set forth in the order.

(h) Uncontested Offer of Settlement Not Accepted

If an uncontested offer of settlement or an order of acceptance is not accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel or the Extended Hearing Panel, the Respondent shall be notified in writing and the offer of settlement and proposed order of acceptance shall be deemed withdrawn. An offer and a proposed order of acceptance that are not accepted shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(i) Disciplinary Proceeding With Multiple Respondents

When a disciplinary proceeding names multiple Respondents, settlement offers may be accepted or rejected as to any one or all of the Respondents submitting offers. The proceedings shall thereafter be terminated as to those Respondents whose offers of settlement are accepted, but such Respondents may be required to participate in any hearing conducted as to those Respondents that did not submit offers of settlement or whose offers of settlement were rejected.

(j) No Prejudice from Rejected Offer of Settlement

If an offer of settlement is rejected by the [Office of Disciplinary Affairs]CRO, a Hearing Panel or Extended Hearing Panel, the Respondent shall not be prejudiced by the offer, which may not be introduced into evidence in connection with the determination of the issues involved in the pending complaint or in any other proceeding.

Rule 9300. REVIEW OF DISCIPLINARY PROCEEDING BY EXCHANGE BOARD OF DIRECTORS

Rule 9310. Review by Exchange Board of Directors

(a) Request for Review

(1)(A) Any Party, any Director, and any member of the ~~committee of NYSE Regulation to which is delegated the authority to review disciplinary decisions on behalf of the Exchange Board of Directors~~Committee for Review may require a review by the Exchange Board of Directors of any determination or penalty, or both, imposed by a Hearing Panel or Extended Hearing Panel under the Rule 9200 Series, except that [neither Party]none of the aforementioned persons may request a review by the Exchange Board of Directors of a decision concerning an Exchange member organization that is an affiliate. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notice of the determination and/or penalty is served upon the Respondent. The Secretary of the Exchange shall give notice of any such request for review to the Parties.

(B) In addition to the provisions for review by the Exchange Board of Directors set forth in Rule 9310(a)(1)(A):

- (i) Any Director and any member of the Committee for Review may require a review by the Exchange Board of Directors of any determination or penalty, or both, imposed in connection with a letter of acceptance, waiver, and consent under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that none of the aforementioned persons may request a review by the Exchange Board of Directors of a determination or penalty concerning an Exchange member or member organization that is an affiliate. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after a letter of acceptance, waiver, and consent or an offer of settlement has been sent to each Director and each member of the Committee for Review pursuant to Rule 9216(a)(4) or Rule 9270(f)(3). The Secretary of the Exchange shall give notice of any such request for review to the Parties.

(ii) Any Party may require a review by the Exchange Board of Directors of any rejection by the CRO of a letter of acceptance, waiver, and consent under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that no Party may request a review by the Exchange Board of Directors of a rejection of a letter of acceptance, waiver, and consent or an offer of settlement concerning an Exchange member or member organization that is an affiliate. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notification pursuant to Rule 9216(a)(3) or Rule 9270(h) that a letter of acceptance, waiver, and consent, or an uncontested offer of settlement or an order of acceptance is not accepted by the CRO. The Secretary of the Exchange shall give notice of any such request for review to the Parties.

(2) [The]In connection with any review under paragraph (a)(1)(A), the Secretary of the Exchange shall direct the Office of Hearing Officers to complete and transmit a record of the disciplinary proceeding in accordance with Rule 9267. Within 21 days after the Secretary of the Exchange gives notice of a request for review to the Parties, or at such later time as the Secretary of the Exchange may designate, the Office of Hearing Officers shall assemble and prepare an index to the record, transmit the record and the index to the Secretary of the Exchange, and serve copies of the index upon all Parties. The Hearing Officer who participated in the disciplinary proceeding, or the Chief Hearing Officer, shall certify that the record transmitted to the Secretary of the Exchange is complete.

Rule 9500. OTHER PROCEEDINGS

Rule 9550. Expedited Proceedings

Rule 9551. Failure to Comply with Public Communication Standards

(a) Notice of Pre-Use Filing Requirement

Pursuant to Rule 2210(c)(1)(B), [Exchange staff]Regulatory Staff may issue a written notice requiring a member organization to file communications with the Exchange's Advertising Regulation Department at least ten days prior to use if [Exchange staff]Regulatory Staff determines that the member organization has departed from the standards of Rule 2210.

(b) Service of Notice of Pre-Use Filing Requirement

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization with such notice in accordance with Rule 9134. When counsel for the member organization or other person authorized to represent others under Rule 9141

agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9552. Failure to Provide Information or Keep Information Current

(a) Notice of Suspension of a Member Organization or Covered Person if Corrective Action is Not Taken

If a member organization or covered person fails to provide any information, report, material, data, or testimony requested or required to be filed pursuant to the Exchange's Rules, or fails to keep its membership application or supporting documents current, [Exchange staff]Regulatory Staff may provide written notice to such member organization or covered person specifying the nature of the failure and stating that the failure to take corrective action within 21 days after service of the notice will result in suspension of membership of the member organization or of association of the covered person with any member organization.

(b) Service of Notice of Suspension

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization or covered person with such notice in accordance with Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. When counsel for the member organization or covered person, or other person authorized to represent others under Rule 9141 agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9554. Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution

(a) Notice of Suspension or Cancellation

If a member organization or covered person fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation under the Exchange's Rules, or an Exchange order of restitution or Exchange settlement agreement providing for restitution, [Exchange staff]Regulatory Staff may provide written notice to such covered person or member organization stating that the failure to comply within 21 days of service of the notice will result in a suspension or cancellation of membership or a suspension from associating with any member organization. When a member organization or covered person fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation involving a customer, a claim of inability to pay is no defense.

(b) Service of Notice of Suspension or Cancellation

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization or covered person with such notice in accordance with Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. When counsel for the member organization or covered person, or other person authorized to represent others under Rule 9141 agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9556. Failure to Comply with Temporary and Permanent Cease and Desist Orders**(a) Notice of Suspension, Cancellation or Bar**

If a member organization or covered person fails to comply with a temporary or permanent cease and desist order issued under the Rule 9200, 9300 or 9800 Series, [Exchange staff]Regulatory Staff, after receiving written authorization from the Exchange's CRO or such other senior officer as the CRO may designate, may issue a notice to such member organization or covered person stating that the failure to comply with the temporary or permanent cease and desist order within seven days of service of the notice will result in a suspension or cancellation of membership or a suspension or bar from associating with any member organization.

(b) Service of Notice

[Exchange staff]Regulatory Staff shall serve the member organization or covered person subject to a notice issued under this Rule (or upon counsel representing the member organization or covered person, or other person authorized to represent others under Rule 9141, when counsel or other person authorized to represent others under Rule 9141 agrees to accept service for the member organization or covered person) by overnight courier or personal delivery. Papers served on a member organization, covered person or counsel for such member organization or covered person, or other person authorized to represent others under Rule 9141 by overnight courier or personal delivery shall conform to paragraphs (a)(1) and (3) and, with respect to a member organization or covered person, (b)(1) and (2) of Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. Service is complete upon mailing the notice by overnight courier or delivering it in person.

Rule 9800. TEMPORARY CEASE AND DESIST ORDERS

Rule 9810. Initiation of Proceeding

(a) [Department of Enforcement or Department of Market Regulation]Enforcement; Service and Filing of Notice

With the prior written authorization of the Exchange's CRO or such other senior officers as the CRO may designate, Enforcement[the Department of Enforcement or the Department of Market Regulation] may initiate a temporary cease and desist proceeding with respect to alleged violations of Section 10(b) of the Exchange Act and SEA Rule 10b-5 thereunder; SEA Rules 15g-1 through 15g-9; NYSE Rule 2010 (if the alleged violation is unauthorized trading, or misuse or conversion of customer assets, or based on violations of Section 17(a) of the Securities Act); or NYSE Rule 2020. [The Department of Enforcement or the Department of Market Regulation]Enforcement shall initiate the proceeding by serving a notice on a member organization or covered person (hereinafter "Respondent") and filing a copy thereof with the Office of Hearing Officers. Enforcement[The Department of Enforcement or the Department of Market Regulation] shall serve the notice by personal service or overnight commercial courier. The notice shall be effective upon service.

(b) Contents of Notice

The notice shall set forth the rule or statutory provision that the Respondent is alleged to have violated and that Enforcement[the Department of Enforcement or the Department of Market Regulation] is seeking to have the Respondent ordered to cease violating. The notice also shall state whether Enforcement[the Department of Enforcement or the Department of Market Regulation] is requesting the Respondent to be required to take action or to refrain from taking action. The notice shall be accompanied by:

- (1) a declaration of facts, signed by a person with knowledge of the facts contained therein, that specifies the acts or omissions that constitute the alleged violation; and
- (2) a proposed order that contains the required elements of a temporary cease and desist order (except the date and hour of the order's issuance), which are set forth in Rule 9840(b).

(c) Filing of Underlying Complaint

If Enforcement[the Department of Enforcement or the Department of Market Regulation] has not issued a complaint under Rule 9211 against the Respondent relating to the subject matter of the temporary cease and desist proceeding and alleging violations of the rule or statutory provision specified in the notice described in paragraph (b), Enforcement[the Department of Enforcement or the Department of Market Regulation] shall serve and file such a complaint with the notice initiating the temporary cease and desist proceeding.

Rule 9820. Appointment of Hearing Officer and Hearing Panel

(a) As soon as practicable after Enforcement[the Department of Enforcement or the Department of Market Regulation] files a copy of the notice initiating a temporary cease and desist proceeding with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the temporary cease and desist proceeding. The Chief Hearing Officer shall appoint two Panelists to serve on a Hearing Panel with the Hearing Officer. The Panelists shall be appointed pursuant to Rule 9231.

Rule 9830. Hearing

(b) Service of Notice of Hearing

The Office of Hearing Officers shall serve a notice of date, time, and place of the hearing on Enforcement[the Department of Enforcement or the Department of Market Regulation] and the Respondent not later than seven days before the hearing, unless otherwise ordered by the Hearing Officer. Service shall be made by personal service or overnight commercial courier. The notice shall be effective upon service.

(h) Failure to Appear at Hearing

If a Respondent fails to appear at a hearing for which it has notice, the allegations in the notice and accompanying declaration may be deemed admitted, and the Hearing Panel may issue a temporary cease and desist order without further proceedings.

If Enforcement[the Department of Enforcement or Department of Market Regulation] fails to appear at a hearing for which it has notice, the Hearing Panel may order that the temporary cease and desist proceeding be dismissed.

Additions underlined
Deletions [bracketed]

Rules of New York Stock Exchange LLC

Rule 476. Disciplinary Proceedings Involving Charges Against Members, Member Organizations, Principal Executives, Approved Persons, Employees, or Others

Rule 476 shall apply only to a proceeding for which a Charge Memorandum has been filed with the hearing board under Rule 476(d) prior to July 1, 2013 or for which a written Stipulation and Consent has been submitted to a Hearing Officer prior to July 1, 2013 and shall continue to apply until such proceeding is final; otherwise, the Rule 8000 Series and Rule 9000 Series shall apply. Notwithstanding the preceding sentence, after July 1, 2013, the offenses under Rule 476(a) shall be subject to the Rule 9000 Series procedures.[The Exchange may issue a written notice of suspension for non-payment of a fine under Rule 476(k) until July 1, 2013; thereafter, Rule 8320 shall apply.]

Rule 8000. INVESTIGATIONS AND SANCTIONS

Rule 8100. GENERAL PROVISIONS

Rule 8120. Definitions

(a) No Change

(b) The terms "Adjudicator,"[and] "covered person" and "Regulatory Staff" shall have the meaning as defined in Rule 9120.

Rule 8200. INVESTIGATIONS

Rule 8210. Provision of Information and Testimony and Inspection and Copying of Books

(a) Authority of Adjudicator and Exchange Staff

For the purpose of an investigation, complaint, examination, or proceeding authorized by Exchange rules, an Adjudicator or Exchange staff shall have the right to:

(1) – (2) No Change

In performing the functions of investigation, complaint, examination, or proceeding authorized by Exchange rules, the CRO and Regulatory Staff shall function independently of the commercial interests of the Exchange and the commercial interests of the member organizations.

(b) – (g) No Change

Rule 9000. CODE OF PROCEDURE

Rule 9001. Effective Date of Rule 9000 Series

Rule 476 shall apply only to a proceeding for which a Charge Memorandum has been filed with the hearing board under Rule 476(d) prior to July 1, 2013 or for which a written Stipulation and Consent has been submitted to a Hearing Officer prior to July 1, 2013 and shall continue to apply until such proceeding is final; otherwise, the Rule 8000 Series and Rule 9000 Series shall apply. Notwithstanding the preceding sentence, after July 1, 2013, the offenses under Rule 476(a) shall be subject to the Rule 9000 Series procedures.

Rule 9100. APPLICATION AND PURPOSE

Rule 9110. Application

(a) Proceedings

The Rule 9000 Series is the Code of Procedure and includes proceedings for disciplining a member organization or covered person; proceedings for regulating the activities of a member organization experiencing financial or operational difficulties; proceedings for summary or non-summary suspensions, cancellations, bars, prohibitions, or limitations; and proceedings for obtaining relief from the eligibility requirements of the Exchange's rules. The Rule 9100 Series is of general applicability to all proceedings set forth in the Rule 9000 Series, unless a Rule specifically provides otherwise. In performing the functions under the Code, the CRO and Regulatory Staff shall function independently of the commercial interests of the Exchange and the commercial interests of the member organizations.

(b) No Change

(c) Incorporation of Defined Terms and Cross References

Unless otherwise provided and where applicable, terms used in the Rule 9000 Series shall have the meaning as defined in Rule 9120 and applicable rules of the Exchange.

[References within the Rule 9000 Series to Exchange offices or departments refer to offices so designated by the Exchange.]

Rule 9120. Definitions

(a) – (l) No Change

(m) "Enforcement"

The term "Enforcement" refers to (A) any department reporting to the CRO of the Exchange with responsibility for investigating or, when appropriate after compliance with the Rule 9000 Series, imposing sanctions on a member organization or covered person; (B) the Department of Enforcement of FINRA; and (C) the Department of Market Regulation of FINRA.

(m)n "Exchange"

The term "Exchange" shall have the meaning as defined in Rule 1.

(n)o "Extended Hearing"

The term "Extended Hearing" means a disciplinary proceeding described in Rule 9231(c).

(o)p "Extended Hearing Panel"

The term "Extended Hearing Panel" means an Adjudicator that is constituted under Rule 9231(c) to conduct a disciplinary proceeding that is classified as an "Extended Hearing" and is governed by the Rule 9200 Series.

(p)q "Floor-Based Panelist"

The term "Floor-Based Panelist" means a Panelist selected in accordance with Rule 9232(c) who is, or if retired, was, active on the Floor of the Exchange.

(q) "Head of Enforcement"

The term "Head of Enforcement" means the individual that manages the Department of Enforcement, or his or her delegatee in the Department of Enforcement.

(r) "Head of Market Regulation"

The term "Head of Market Regulation" means the individual that manages the Department of Market Regulation, or his or her delegatee in the Department of Market Regulation.]

([s]r) "Hearing Officer"

The term "Hearing Officer" means an employee of FINRA who is an attorney and who is appointed by the Chief Hearing Officer to act in an adjudicative role and fulfill various adjudicative responsibilities and duties described in the Rule 9200 Series regarding disciplinary proceedings, the Rule 9550 Series regarding expedited proceedings, and the Rule 9800 Series regarding temporary cease and desist proceedings brought against member organizations and covered persons.

([t]s) "Hearing Panel"

The term "Hearing Panel" means an Adjudicator that is constituted under Rule 9231 to conduct a disciplinary proceeding governed by the Rule 9200 Series or that is constituted under the Rule 9520 Series or the Rule 9550 Series to conduct a proceeding.

([u]t) "Interested Staff"

The term "Interested Staff" means, in the context of[:

(1) a disciplinary] any proceeding under the Code of Procedure, [Rule 9200 Series and the Rule 9300 Series:

- (A) the Head of Enforcement;
- (B) an employee of the Department of Enforcement who reports, directly or indirectly, to the Head of Enforcement;
- (C) an Exchange employee who directly participated in the authorization of the complaint;
- (D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific disciplinary proceeding, and a district director or department head to whom such employee reports;
- (E) the Head of Market Regulation; or
- (F) an employee of the Department of Market Regulation who reports, directly or indirectly, to the Head of Market Regulation]Regulatory Staff or staff who:

(A) report, directly or indirectly, to any Enforcement employee, or to the head of any department or office that issues a notice or decision or is designated as a Party under the Rule 9000 Series; or

(B)(i) directly participated in the authorization or initiation of a complaint or proceeding, (ii) directly participated in the proceeding, or (iii) directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and any person(s) who supervise such staff.];

(2) a proceeding under the Rule 9520 Series or Rule 9550 Series:

- (A) the head of the department or office that issues the notice or is designated as a Party;
- (B) an Exchange employee who reports, directly or indirectly, to such person;
- (C) an Exchange employee who directly participated in the authorization or initiation of the proceeding; or
- (D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific proceeding, and a district director or department head to whom such employee reports; or

(3) a proceeding under the Rule 9600 Series:

- (A) the head of the department or office that issues the decision granting or denying an exemption or is designated as a Party;
- (B) an Exchange employee who reports, directly or indirectly, to such person;
- (C) an Exchange employee who directly participated in the exemption proceeding; or
- (D) an Exchange employee who directly participated in an examination, investigation, prosecution, or litigation related to a specific exemption proceeding, and a district director or department head to whom such employee reports.

(v) "Office of Disciplinary Affairs"

The term "Office of Disciplinary Affairs" means the Office of Disciplinary Affairs for FINRA.]

([w]u) "Office of Hearing Officers"

The term "Office of Hearing Officers" means the Office of Hearing Officers for FINRA.

([x]y) "Panelist"

The term "Panelist," as used in the Rule 9200 Series, means a member of a Hearing Panel or Extended Hearing Panel who is not a Hearing Officer.

([y]w) "Party"

With respect to a particular proceeding, the term "Party" means:

- (1) in the Rule 9200 Series and the Rule 9300 Series, and the Rule 9800 Series, Enforcement[the Department of Enforcement or the Department of Market Regulation] or a Respondent;
- (2) in the Rule 9520 Series, the Department of Member Regulation or a member organization that is the subject of a notice or files an application under Rule 9522;
- (3) in the Rule 9550 Series, the Exchange department or office that issued the notice or, if another Exchange department or office is named as the party handling the matter on behalf of the issuing department or office, the Exchange department or office that is so designated or a member organization or covered person that is the subject of a notice under the Rule 9550 Series; or
- (4) in the Rule 9600 Series, the department or office designated under Rule 9620 to issue the decision granting or denying an exemption or a member organization that seeks the exemption under Rule 9610.

(x) "Regulatory Staff"

The term "Regulatory Staff," and for purposes of the Rule 8000 Series and Rule 9000 Series (except for Rule 9557), the term "Exchange staff," refers to (A) any officer or employee reporting, directly or indirectly, to the CRO of the Exchange; and (B) FINRA staff acting on behalf of the Exchange in connection with the Rule 8000 Series and Rule 9000 Series.

([z]y) "Respondent"

The term "Respondent" means, in a disciplinary proceeding governed by the Rule 9200 Series and in a review governed by the Rule 9300 Series, a member organization or a covered person against whom a complaint is issued.

Rule 9130. Service; Filing of Papers

Rule 9131. Service of Complaint

(a) Service on Each Party

Except as provided below, a complaint shall be served on each Party by Enforcement[the Department of Enforcement or the Department of Market Regulation]. When counsel for a Party or other person authorized to represent others under Rule 9141 agrees to accept service of the complaint, then Enforcement[the Department of Enforcement or Department of Market Regulation] may serve the complaint on counsel for a Party or other person authorized to represent others under Rule 9141 as specified in Rule 9134(a).

(b) - (c) No Change

Rule 9141. Appearance and Practice; Notice of Appearance

(a) - (b) No Change

(c) [Reserved.] One Year Revolving Door Restriction

No former Regulatory Staff shall, within a period of one year immediately following termination of employment with the Exchange or FINRA, make an appearance before an Adjudicator on behalf of any other person in a proceeding under the Rule 9000 Series.

Rule 9146. Motions

(k) Motion For Protective Order

(1) A Party, a person who is the owner, subject, or creator of a Document subject to production under Rule 8210 or any other Rule which may be introduced as evidence in a disciplinary proceeding, or a witness who testifies at a hearing in a disciplinary proceeding may file a motion requesting a protective order to limit disclosure or prohibit from disclosure to other Parties, witnesses or other persons, except Regulatory Staff[the Department of Enforcement and the Department of Market Regulation and other Exchange staff], Documents or testimony that contain confidential information. The motion shall include a general summary or extract of the Documents or testimony without revealing confidential details. If the movant seeks a protective order against disclosure to other Parties, copies of the Documents shall not be served on the other Parties. Unless the Documents are unavailable, the movant shall file for in camera inspection a sealed copy of the Documents for which the order is sought. If the movant is not a Party, the motion shall be served on each Party by the movant using a method in Rule 9134(a) and filed with the Adjudicator. A motion for a protective order shall be granted only upon a finding that disclosure of the Document or testimony would have a demonstrated adverse business effect on the movant or would involve an unreasonable breach of the movant's personal privacy.

(2) If a protective order is granted, the order shall set forth the restrictions on use and disclosure of such Document or testimony. An Adjudicator does not have the authority to issue a protective order that would limit in any manner the use by [Exchange staff]Regulatory Staff of such Documents or testimony in the staff's performance of their regulatory and self-regulatory responsibilities and functions, including the transmittal,

without restriction to the recipient, of such Documents or testimony to state, federal, or foreign regulatory authorities or other self-regulatory organizations. An Adjudicator does not have the authority to issue a protective order that purports to protect from production such Documents or testimony in the event that the Exchange is subject to a subpoena requiring that the Documents or testimony be produced.

Rule 9200. DISCIPLINARY PROCEEDINGS

Rule 9210. Complaint and Answer

Rule 9211. Authorization of Complaint

(a) Complaint

(1) If [the Department of Enforcement or the Department of Market Regulation believes]Enforcement has reason to believe that any member organization or covered person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which the Exchange has jurisdiction to enforce, Enforcement[the Department of Enforcement or the Department of Market Regulation] may request authorization from the CRO[Office of Disciplinary Affairs] to issue a complaint.

(2) The Exchange Board of Directors shall have the authority to direct the CRO[Office of Disciplinary Affairs] to authorize and Enforcement[the Department of Enforcement or the Department of Market Regulation] to issue a complaint when, on the basis of information and belief, the Exchange Board of Directors is of the opinion that any member organization or covered person is violating or has violated any rule, regulation, or statutory provision, including the federal securities laws and the regulations thereunder, which the Exchange has jurisdiction to enforce.

Rule 9212. Complaint Issuance — Requirements, Service, Amendment, Withdrawal, and Docketing

(a) Form, Content, Notice, Docketing, and Service

(1) [If a complaint is authorized, the Department of Enforcement or the Department of Market Regulation shall issue the complaint.]Each complaint shall be in writing and signed by authorized Enforcement staff[the Department of Enforcement or the Department of Market Regulation]. The complaint shall specify in reasonable detail the conduct alleged to constitute the violative activity and the rule, regulation, or statutory provision the Respondent is alleged to be violating or to have violated. If the complaint consists of several causes of action, each cause shall be stated separately. Complaints

shall be served by [the Department of Enforcement or the Department of Market Regulation] Enforcement on each Party pursuant to Rules 9131 and 9134, and filed at the time of service with the Office of Hearing Officers pursuant to Rules 9135, 9136, and 9137.

(2) At the time of issuance of a complaint, Enforcement[the Department of Enforcement or the Department of Market Regulation] may propose:

(A) an appropriate location for the hearing; and

(B) if the complaint alleges at least one cause of action involving activities on the Floor of the Exchange, that the Chief Hearing Officer select a Floor-Based Panelist for the Hearing Panel, or, if applicable, the Extended Hearing Panel as described in Rule 9231.

(b) Amendments to Complaint

Enforcement[The Department of Enforcement or the Department of Market Regulation] may file and serve an amended complaint once as a matter of course at any time before the Respondent answers the complaint. Otherwise, upon motion by Enforcement [the Department of Enforcement or the Department of Market Regulation], the Hearing Officer may permit Enforcement[the Department of Enforcement or the Department of Market Regulation] to amend the complaint, including amendments so as to make the complaint conform to the evidence presented, after considering whether Enforcement[the Department of Enforcement or the Department of Market Regulation] has shown good cause for the amendment and whether any Respondent will suffer any unfair prejudice if the amendment is allowed. Amendments to complaints will be freely granted when justice so requires.

(c) Withdrawal of Complaint

With prior leave of the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] may withdraw a complaint. If Enforcement[the Department of Enforcement or the Department of Market Regulation] withdraws the complaint before the earlier of

(1) the Hearing Panel's or, if applicable, the Extended Hearing Panel's, issuance of a ruling on a motion for summary disposition, or

(2) the start of the hearing on the merits, the withdrawal of the complaint by Enforcement[the Department of Enforcement or the Department of Market Regulation] shall be without prejudice and Enforcement[the Department of Enforcement or the Department of Market Regulation] shall be permitted to refile a case based on allegations concerning the same facts and circumstances that are set forth in the withdrawn complaint.

If Enforcement[the Department of Enforcement or the Department of Market Regulation] requests to withdraw such complaint after the occurrence of either of the two events set forth in (1) and (2) in this paragraph, the Hearing Panel or, if applicable, the Extended Hearing Panel, after considering the facts and circumstances of the request, shall determine whether the withdrawal shall be granted with prejudice.

(d) No Change

Rule 9213. Assignment of Hearing Officer and Appointment of Panelists to Hearing Panel or Extended Hearing Panel

(a) Assignment of Hearing Officer

As soon as practicable after Enforcement[the Department of Enforcement or the Department of Market Regulation] has filed a complaint with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the disciplinary proceeding and shall serve the Parties with notice of the Hearing Officer's assignment pursuant to Rule 9132.

Rule 9215. Answer to Complaint

(f) Failure to Answer, Default

If a Respondent does not file an answer or make any other filing or request related to the complaint with the Office of Hearing Officers within the time required, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall send a second notice to such Respondent requiring an answer within 14 days after service of the second notice. The second notice shall state that failure of the Respondent to reply within the period specified shall allow the Hearing Officer, in the exercise of his or her discretion, pursuant to Rule 9269 to:

(1) treat as admitted by the Respondent the allegations in the complaint; and

(2) issue a default decision against the Respondent. If the Respondent fails to file an answer with the Office of Hearing Officers within the time required, the Hearing Officer may issue a default decision against the Respondent pursuant to Rule 9269.

Rule 9216. Acceptance, Waiver, and Consent; Plan Pursuant to SEA Rule 19d-1(c)(2)

(a) Acceptance, Waiver, and Consent Procedures

(1) Notwithstanding Rule 9211, if Enforcement[the Department of Enforcement or the Department of Market Regulation] has reason to believe a violation has occurred and the member organization or covered person does not dispute the violation, Enforcement[the Department of Enforcement or the Department of Market Regulation] may prepare and request that the member organization or covered person execute a letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such member organization's or covered person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right to review by the Exchange Board of Directors, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by [Exchange staff]Regulatory Staff.

(2) No Change

(3) If the member organization or covered person executes the letter of acceptance, waiver, and consent, it shall be submitted to the [Office of Disciplinary Affairs]CRO. The [Office of Disciplinary Affairs]CRO may[, on behalf of the Exchange Board of Directors,] accept or reject such letter. If the letter is rejected by the CRO, the member organization or covered person who executed the letter shall be notified in writing and the letter shall be deemed withdrawn.

(4) If the letter is accepted by the CRO[Office of Disciplinary Affairs], it shall be sent to each Director and each member of the Committee for Review via courier, express delivery or electronic means, and shall be deemed final and shall constitute the complaint, answer, and decision in the matter, 25 days after it is sent to each Director and each member of the Committee for Review, unless review by the Exchange Board of Directors is requested pursuant to Rule 9310(a)(1)(B). If the letter is rejected by the CRO[Office of Disciplinary Affairs], the Exchange may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the member organization or covered person shall not be prejudiced by the execution of the letter of acceptance, waiver, and consent under paragraph (a)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

(b) Procedure for Violation Under Plan Pursuant to SEA Rule 19d-1(c)(2)

(1) Notwithstanding Rule 9211, the Exchange may, subject to the requirements set forth in paragraphs (b)(2) through (b)(4) and in SEA Rule 19d-1(c)(2), impose a fine (not to exceed \$2,500) and/or a censure on any member organization or covered person with respect to any rule listed in Rule 9217. If Enforcement[the Department of Enforcement or the Department of Market Regulation] has reason to believe a violation has occurred and if the member organization or covered person does not dispute the violation, Enforcement[the Department of Enforcement or the Department of Market Regulation] may prepare and request that the member organization or covered person

execute a minor rule violation plan letter accepting a finding of violation, consenting to the imposition of sanctions, and agreeing to waive such member organization's or covered person's right to a hearing before a Hearing Panel or, if applicable, an Extended Hearing Panel, and any right of review by the Exchange Board of Directors, the SEC, and the courts, or to otherwise challenge the validity of the letter, if the letter is accepted. The letter shall describe the act or practice engaged in or omitted, the rule, regulation, or statutory provision violated, and the sanction or sanctions to be imposed. Unless the letter states otherwise, the effective date of any sanction(s) imposed will be a date to be determined by [Exchange staff]Regulatory Staff.

(2) No Change

(3) If the member organization or covered person executes the minor rule violation plan letter, it shall be submitted to the CRO[Office of Disciplinary Affairs]. The CRO[Office of Disciplinary Affairs], on behalf of the SRO Board, may accept or reject such letter.

(4) If the letter is accepted by the CRO[Office of Disciplinary Affairs], it shall be deemed final and the Exchange shall report the violation to the SEC as required by the SEC pursuant to a plan approved under SEA Rule 19d-1(c)(2). If the letter is rejected by the CRO[Office of Disciplinary Affairs], the Exchange may take any other appropriate disciplinary action with respect to the alleged violation or violations. If the letter is rejected, the member organization or covered person shall not be prejudiced by the execution of the minor rule violation plan letter under paragraph (b)(1) and the letter may not be introduced into evidence in connection with the determination of the issues set forth in any complaint or in any other proceeding.

Rule 9217. Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)

Any member organization or covered person may be subject to a fine under Rule 9216(b) with respect to any rules listed below.

- Rule 123C - Failure to adhere to entry and cancellation procedures for limit-at-the-close and market-at-the-close orders.

Rule 9232. Criteria for Selection of Panelists, Replacement Panelists, and Floor-Based Panelists

(b) The [Chairman of the Exchange Board of Directors, subject to the approval the]Exchange Board of Directors shall from time to time appoint a hearing board to be composed of such number of members and former allied members of the Exchange who are not members of the Exchange Board of Directors and registered employees and nonregistered employees of member organizations. Former members, allied members, or registered and non-registered employees of member organizations who have retired from the securities industry may be appointed to the hearing board. The members of the hearing board shall be appointed annually and shall serve at the pleasure of the Exchange Board of Directors.

Rule 9242. Pre-hearing Submission

(b) [Reserved.]Prohibition on Serving as Expert Witness

No former Regulatory Staff shall, within a period of one year immediately following termination of employment with the Exchange or FINRA, provide expert testimony on behalf of any other person in any proceeding under the Rule 9000 Series. Nothing in this Rule shall prohibit former Regulatory Staff from testifying as a witness on behalf of the Exchange or FINRA.

Rule 9250. Discovery

Rule 9251. Inspection and Copying of Documents in Possession of Staff

(a) Documents to be Available for Inspection and Copying

(1) Unless otherwise provided by this Rule, or by order of the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall make available for inspection and copying by any Respondent, Documents prepared or obtained by Interested Staff in connection with the investigation that led to the institution of proceedings. Such Documents include but are not limited to:

- (A) requests for information issued pursuant to Rule 8210;
- (B) every other written request directed to persons not employed by the Exchange to provide Documents or to be interviewed;
- (C) the Documents provided in response to any such requests described in (A) and (B) above;

(D) all transcripts and transcript exhibits; and

(E) all other Documents obtained from persons not employed by the Exchange.

(2) [The Department of Enforcement or the Department of Market Regulation]Enforcement shall promptly inform the Hearing Officer and each other Party if, after the issuance of a complaint, requests for information under Rule 8210 are issued under the same investigative file number under which the investigation leading to the institution of disciplinary proceedings was conducted. If Interested Staff receives Documents pursuant to a request for information under Rule 8210 after Documents have been made available to a Respondent for inspection and copying as set forth in paragraph (a), and if such Documents are material and relevant to the disciplinary proceeding in which such Respondent is a Party, the additional Documents shall be made available to the Respondent not later than 14 days after the Interested Staff receives such Documents. If a hearing on the merits is scheduled to begin, Interested Staff shall make the additional Documents available to the Respondent not less than ten days before the hearing. If Interested Staff receives such Documents ten or fewer days before a hearing on the merits is scheduled to begin or after such hearing begins, Interested Staff shall make the additional Documents available immediately to the Respondent.

(3) Nothing in paragraph (a)(1) shall limit the discretion of [the Department of Enforcement or the Department of Market Regulation]Enforcement to make available any other Document or the authority of the Hearing Officer to order the production of any other Document.

(b) Withheld Documents

(1) [The Department of Enforcement or the Department of Market Regulation]Enforcement may withhold a Document if:

(A) the Document is privileged or constitutes attorney work product;

(B) the Document is an examination or inspection report, an internal memorandum, or other note or writing prepared by an Exchange employee that shall not be offered in evidence;

(C) the Document would disclose:

(i) an examination, investigatory or enforcement technique or guideline of the Exchange, a federal, state, or foreign regulatory authority, or a self-regulatory organization;

(ii) the identity of a source, including a federal, state, or foreign regulatory authority or a self-regulatory organization that furnished information or was furnished information on a confidential basis regarding an investigation, an examination, an

enforcement proceeding, or any other type of civil or criminal enforcement action;
or

(iii) an examination, an investigation, an enforcement proceeding, or any other type of civil or criminal enforcement action under consideration by, or initiated by, the Exchange, a federal, state, or foreign regulatory authority, or a self-regulatory organization; or

(D) the Hearing Officer grants leave to withhold a Document or category of Documents as not relevant to the subject matter of the proceeding, or for other good cause shown.

(2) [The Department of Enforcement or the Department of Market Regulation]Enforcement shall withhold a Document if the Document is prohibited from disclosure by federal law.

(3) Nothing in paragraph (b)(1) authorizes [the Department of Enforcement or the Department of Market Regulation]Enforcement to withhold a Document, or a part thereof, that contains material exculpatory evidence.

(c) Withheld Document List

The Hearing Officer may require Enforcement[the Department of Enforcement or the Department of Market Regulation] to submit to the Hearing Officer a list of Documents withheld pursuant to paragraph (b) or to submit to the Hearing Officer any Document withheld. Upon review, the Hearing Officer may order Enforcement[the Department of Enforcement or the Department of Market Regulation] to make the list or any Document withheld available to the other Parties for inspection and copying unless federal law prohibits disclosure of the Document or its existence. A motion to require Enforcement[the Department of Enforcement or the Department of Market Regulation] to produce a list of Documents withheld pursuant to paragraph (b) shall be based upon some reason to believe that a Document is being withheld in violation of the Code.

(d) Timing of Inspection and Copying

The Hearing Officer shall determine the schedule of production of documents pursuant to this Rule. Unless otherwise ordered by the Hearing Officer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall commence making Documents available to a Respondent for inspection and copying pursuant to this Rule not later than 21 days after service of the Respondent's answer or, if there are multiple Respondents, not later than 21 days after the last timely answer is filed. If a Respondent in a multi-Respondent case fails to answer, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall make Documents available to all other Respondents not later than the later of:

- (1) 21 days after the filing date of the last timely answer, or
 - (2) the expiration of the second period provided for filing an answer as set forth in Rule 9215(f).
- (e) - (f) No Change

(g) Failure to Make Documents Available — Harmless Error

In the event that a Document required to be made available to a Respondent pursuant to this Rule is not made available by Enforcement[the Department of Enforcement or the Department of Market Regulation], no rehearing or amended decision of a proceeding already heard or decided shall be required unless the Respondent establishes that the failure to make the Document available was not harmless error. The Hearing Officer, or, upon review under Rule 9310, the Exchange Board of Directors, shall determine whether the failure to make the document available was not harmless error, applying applicable Exchange, FINRA, SEC, and federal judicial precedent.

Rule 9253. Production of Witness Statements

(a) Availability

Notwithstanding the provisions of Rule 9251(b),

(1) A Respondent in a disciplinary proceeding may file a motion requesting that Enforcement[the Department of Enforcement or the Department of Market Regulation] produce for inspection and copying any statement of any person called or to be called as a witness by Enforcement[the Department of Enforcement or the Department of Market Regulation] that pertains, or is expected to pertain, to his or her direct testimony and which is "a stenographic, mechanical, electrical, or other recording, or a transcription thereof, which is a substantially verbatim recital of an oral statement made by said witness and recorded contemporaneously with the making of such oral statement," as that phrase is used in 18 U.S.C. §3500(e)(2).

(2) A Respondent in a disciplinary proceeding may also file a motion requesting that Enforcement[the Department of Enforcement or the Department of Market Regulation] produce for inspection and copying any contemporaneously written statement made by an Interested Staff member during a routine examination or inspection about the substance of oral statements made by a non-Exchange person when

- (A) either the Interested Staff member or non-Exchange person is called as a witness by Enforcement[the Department of Enforcement or the Department of Market Regulation], and

(B) that portion of the statement for which production is sought directly relates to the Interested Staff member's testimony or the testimony of the non-Exchange witness.

(b) Failure to Produce — Harmless Error

In the event that a statement required to be made available for inspection and copying by a Respondent is not provided by Enforcement[the Department of Enforcement or the Department of Market Regulation], there shall be no rehearing of a proceeding already heard, or issuance of an amended decision in a proceeding already decided, unless the Respondent establishes that the failure to provide the statement was not harmless error. The Hearing Officer, or upon review under Rule 9310, the Exchange Board of Directors, shall determine whether the failure to provide any statement was not harmless error, applying applicable Exchange, FINRA, SEC, and federal judicial precedent.

Rule 9264. Motion for Summary Disposition

(a) Pre-hearing

After a Respondent's answer has been filed and Documents have been made available to that Respondent for inspection and copying pursuant to Rule 9251, the Respondent or Enforcement[the Department of Enforcement or the Department of Market Regulation], without leave of the Hearing Officer, may make a motion for summary disposition of any or all the causes of action in the complaint with respect to that Respondent, as well as any defense raised in a Respondent's answer. All pre-hearing motions for summary disposition and supporting papers shall be filed at least 21 days before the time set for the hearing, or at such earlier time as ordered by the Hearing Officer. Notwithstanding the provisions of Rule 9146(d), any opposition or response to a pre-hearing motion for summary disposition shall be filed at least seven days before the time set for the hearing.

(b) After Commencement of Hearing on Merits

After a hearing on the merits has commenced, a Respondent or Enforcement[the Department of Enforcement or the Department of Market Regulation] may make a motion for summary disposition of any or all of the causes of action in the complaint with respect to that Respondent or defenses raised in that Respondent's answer only with leave of the Hearing Officer.

(c) – (e) No Change

Rule 9269. Default Decisions

(a) Issuance of Default Decisions

(1) The Hearing Officer may issue a default decision against a Respondent that fails to answer the complaint within the time afforded under Rule 9215, or a Party that fails to appear at a pre-hearing conference held pursuant to Rule 9241 of which the Party has due notice, or a Party that fails to appear at any hearing that the Party is required to attend under the Rule 9200 Series of which the Party has due notice.

(2) If the defaulting Party is the Respondent, the Hearing Officer may deem the allegations against that Respondent admitted. If the Defaulting Party is Enforcement[the Department of Enforcement or the Department of Market Regulation], the Hearing Officer may issue a default decision ordering that the complaint be dismissed with prejudice.

(3) The Hearing Officer may order a Party that fails to appear at the prehearing conference or the hearing to pay the costs incurred by other Parties in connection with their appearance.

(b) – (c) No Change

(d) Final Disciplinary Action of the Exchange; Effectiveness of Sanctions

If a request for a review of a default decision is not filed pursuant to Rule 9310 within 25 days after the date the Office of Hearing Officers serves it on the Parties, the default decision shall become the final disciplinary action of the Exchange for purposes of SEA Rule 19d-1(c)(1). Unless otherwise provided in the default decision, the sanctions shall become effective on a date to be determined by [Exchange staff]Regulatory Staff, except that a bar or expulsion shall become effective immediately upon the default decision becoming the final disciplinary action of the Exchange. The decision shall be served on a Respondent by courier or other means reasonably likely to obtain prompt service when the sanction is a bar or an expulsion.

Rule 9270. Settlement Procedure

(c) Content and Signature Requirements

An offer of settlement shall be in writing and signed by the person making the offer, and, if the person is represented by counsel or a representative, signed also by the counsel or representative. The offer of settlement shall contain in reasonable detail:

- (1) a statement describing the investigative or other origin of the disciplinary action;
- (2) the specific statutory or rule provisions that the member organization or covered person is alleged to have violated;

(3) a statement containing the acts or practices which the member organization or covered person is alleged to have engaged in or omitted;

(4) a statement consenting to findings of fact and violations consistent with the statements contained in the offer of settlement required by paragraphs (c)(2) and (c)(3); and

(5) a description of the proposed sanction and the effective date of any sanction(s) imposed, or a statement that the effective date of the sanction(s) will be a date to be determined by [Exchange staff]Regulatory Staff.

(d) No Change

(e) Contested Offers of Settlement Deemed Rejected

If a Respondent makes an offer of settlement and [the Department of Enforcement or the Department of Market Regulation]Enforcement opposes it, the offer of settlement is contested. A contested offer of settlement shall be deemed rejected, shall not be transmitted to the Office of Hearing Officers, [Office of Disciplinary Affairs]CRO, or Hearing Panel or Extended Hearing Panel, and shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(f) Uncontested Offers of Settlement

If a Respondent makes an offer of settlement and [the Department of Enforcement or the Department of Market Regulation]Enforcement does not oppose it, the offer of settlement is uncontested. If an offer of settlement is determined to be uncontested by Enforcement[the Department of Enforcement or the Department of Market Regulation] before a hearing on the merits has begun, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall transmit the uncontested offer of settlement and a proposed order of acceptance to the CRO[Office of Disciplinary Affairs] with its recommendation. If an offer of settlement is determined to be uncontested by [the Department of Enforcement or the Department of Market Regulation]Enforcement after a hearing on the merits has begun, Enforcement[the Department of Enforcement or the Department of Market Regulation] shall transmit the offer of settlement and a proposed order of acceptance to the Hearing Panel or, if applicable, the Extended Hearing Panel to be accepted or not accepted.

(1) A proposed order of acceptance shall make findings of fact, including a statement of the rule, regulation, or statutory provision violated, and impose sanctions consistent with the terms of the offer of settlement.

(2) Before an offer of settlement and an order of acceptance shall become effective, they shall be submitted to and accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel, or if applicable, Extended Hearing Panel. The [Office of Disciplinary

Affairs]CRO, Hearing Panel, or if applicable, Extended Hearing Panel, may or may not accept such offer of settlement and order of acceptance.

(3) If the offer of settlement and order of acceptance are accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel or, if applicable, Extended Hearing Panel, they shall be issued and shall be sent to each Director and each member of the Committee for Review via courier, express delivery or electronic means[become final]. The offer of settlement and order of acceptance shall become final 25 days after they are sent to each Director and each member of the Committee for Review, unless review by the Exchange Board of Directors is requested pursuant to Rule 9310(a)(1).

(g) Final Disciplinary Action of the Exchange

The proceeding shall conclude as of the date the order of acceptance is [issued]final. The final order of acceptance shall constitute final disciplinary action of the Exchange. The sanction shall take effect as set forth in the order.

(h) Uncontested Offer of Settlement Not Accepted

If an uncontested offer of settlement or an order of acceptance is not accepted by the [Office of Disciplinary Affairs]CRO, the Hearing Panel or the Extended Hearing Panel, the Respondent shall be notified in writing and the offer of settlement and proposed order of acceptance shall be deemed withdrawn. An offer and a proposed order of acceptance that are not accepted shall not constitute a part of the record in any proceeding against the Respondent making the offer.

(i) Disciplinary Proceeding With Multiple Respondents

When a disciplinary proceeding names multiple Respondents, settlement offers may be accepted or rejected as to any one or all of the Respondents submitting offers. The proceedings shall thereafter be terminated as to those Respondents whose offers of settlement are accepted, but such Respondents may be required to participate in any hearing conducted as to those Respondents that did not submit offers of settlement or whose offers of settlement were rejected.

(j) No Prejudice from Rejected Offer of Settlement

If an offer of settlement is rejected by the [Office of Disciplinary Affairs]CRO, a Hearing Panel or Extended Hearing Panel, the Respondent shall not be prejudiced by the offer, which may not be introduced into evidence in connection with the determination of the issues involved in the pending complaint or in any other proceeding.

Rule 9300. REVIEW OF DISCIPLINARY PROCEEDING BY EXCHANGE BOARD OF DIRECTORS

Rule 9310. Review by Exchange Board of Directors**(a) Request for Review**

(1)(A) Any Party, any Director, and any member of the [committee of NYSE Regulation to which is delegated the authority to review disciplinary decisions on behalf of the Exchange Board of Directors]Committee for Review may require a review by the Exchange Board of Directors of any determination or penalty, or both, imposed by a Hearing Panel or Extended Hearing Panel under the Rule 9200 Series, except that [neither Party]none of the aforementioned persons may request a review by the Exchange Board of Directors of a decision concerning an Exchange member organization that is an affiliate. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notice of the determination and/or penalty is served upon the Respondent. The Secretary of the Exchange shall give notice of any such request for review to the Parties.

(B) In addition to the provisions for review by the Exchange Board of Directors set forth in Rule 9310(a)(1)(A):

- (i) Any Director and any member of the Committee for Review may require a review by the Exchange Board of Directors of any determination or penalty, or both, imposed in connection with a letter of acceptance, waiver, and consent under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that none of the aforementioned persons may request a review by the Exchange Board of Directors of a determination or penalty concerning an Exchange member or member organization that is an affiliate. A request for review shall be made by filing with the Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after a letter of acceptance, waiver, and consent or an offer of settlement has been sent to each Director and each member of the Committee for Review pursuant to Rule 9216(a)(4) or Rule 9270(f)(3). The Secretary of the Exchange shall give notice of any such request for review to the Parties.

- (ii) Any Party may require a review by the Exchange Board of Directors of any rejection by the CRO of a letter of acceptance, waiver, and consent under Rule 9216 or an offer of settlement determined to be uncontested before a hearing on the merits has begun under Rule 9270(f), except that no Party may request a review by the Exchange Board of Directors of a rejection of a letter of acceptance, waiver, and consent or an offer of settlement concerning an Exchange member or member organization that is an affiliate. A request for review shall be made by filing with the

Secretary of the Exchange a written request therefor, which states the basis and reasons for such review, within 25 days after notification pursuant to Rule 9216(a)(3) or Rule 9270(h) that a letter of acceptance, waiver, and consent, or an uncontested offer of settlement or an order of acceptance is not accepted by the CRO. The Secretary of the Exchange shall give notice of any such request for review to the Parties.

(2) [The]In connection with any review under paragraph (a)(1)(A), the Secretary of the Exchange shall direct the Office of Hearing Officers to complete and transmit a record of the disciplinary proceeding in accordance with Rule 9267. Within 21 days after the Secretary of the Exchange gives notice of a request for review to the Parties, or at such later time as the Secretary of the Exchange may designate, the Office of Hearing Officers shall assemble and prepare an index to the record, transmit the record and the index to the Secretary of the Exchange, and serve copies of the index upon all Parties. The Hearing Officer who participated in the disciplinary proceeding, or the Chief Hearing Officer, shall certify that the record transmitted to the Secretary of the Exchange is complete.

Rule 9500. OTHER PROCEEDINGS

Rule 9550. Expedited Proceedings

Rule 9551. Failure to Comply with Public Communication Standards

(a) Notice of Pre-Use Filing Requirement

Pursuant to Rule 2210(c)(1)(B), [Exchange staff]Regulatory Staff may issue a written notice requiring a member organization to file communications with the Exchange's Advertising Regulation Department at least ten days prior to use if [Exchange staff]Regulatory Staff determines that the member organization has departed from the standards of Rule 2210.

(b) Service of Notice of Pre-Use Filing Requirement

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization with such notice in accordance with Rule 9134. When counsel for the member organization or other person authorized to represent others under Rule 9141 agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9552. Failure to Provide Information or Keep Information Current

(a) Notice of Suspension of a Member Organization or Covered Person if Corrective Action is Not Taken

If a member organization or covered person fails to provide any information, report, material, data, or testimony requested or required to be filed pursuant to the Exchange's Rules, or fails to keep its membership application or supporting documents current, [Exchange staff]Regulatory Staff may provide written notice to such member organization or covered person specifying the nature of the failure and stating that the failure to take corrective action within 21 days after service of the notice will result in suspension of membership of the member organization or of association of the covered person with any member organization.

(b) Service of Notice of Suspension

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization or covered person with such notice in accordance with Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. When counsel for the member organization or covered person, or other person authorized to represent others under Rule 9141 agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9554. Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution**(a) Notice of Suspension or Cancellation**

If a member organization or covered person fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation under the Exchange's Rules, or an Exchange order of restitution or Exchange settlement agreement providing for restitution, [Exchange staff]Regulatory Staff may provide written notice to such covered person or member organization stating that the failure to comply within 21 days of service of the notice will result in a suspension or cancellation of membership or a suspension from associating with any member organization. When a member organization or covered person fails to comply with an arbitration award or a settlement agreement related to an arbitration or mediation involving a customer, a claim of inability to pay is no defense.

(b) Service of Notice of Suspension or Cancellation

Except as provided below, [Exchange staff]Regulatory Staff shall serve the member organization or covered person with such notice in accordance with Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. When counsel for the member organization or covered person, or other person authorized to represent others

under Rule 9141 agrees to accept service of such notice, then [Exchange staff]Regulatory Staff may serve notice on counsel or other person authorized to represent others under Rule 9141 as specified in Rule 9134.

Rule 9556. Failure to Comply with Temporary and Permanent Cease and Desist Orders

(a) Notice of Suspension, Cancellation or Bar

If a member organization or covered person fails to comply with a temporary or permanent cease and desist order issued under the Rule 9200, 9300 or 9800 Series, [Exchange staff]Regulatory Staff, after receiving written authorization from the Exchange's CRO or such other senior officer as the CRO may designate, may issue a notice to such member organization or covered person stating that the failure to comply with the temporary or permanent cease and desist order within seven days of service of the notice will result in a suspension or cancellation of membership or a suspension or bar from associating with any member organization.

(b) Service of Notice

[Exchange staff]Regulatory Staff shall serve the member organization or covered person subject to a notice issued under this Rule (or upon counsel representing the member organization or covered person, or other person authorized to represent others under Rule 9141, when counsel or other person authorized to represent others under Rule 9141 agrees to accept service for the member organization or covered person) by overnight courier or personal delivery. Papers served on a member organization, covered person or counsel for such member organization or covered person, or other person authorized to represent others under Rule 9141 by overnight courier or personal delivery shall conform to paragraphs (a)(1) and (3) and, with respect to a member organization or covered person, (b)(1) and (2) of Rule 9134. A copy of a notice under this Rule that is served on a covered person associated with a member organization also shall be served on such member organization. Service is complete upon mailing the notice by overnight courier or delivering it in person.

Rule 9800. TEMPORARY CEASE AND DESIST ORDERS

Rule 9810. Initiation of Proceeding

(a) [Department of Enforcement or Department of Market Regulation]Enforcement; Service and Filing of Notice

With the prior written authorization of the Exchange's CRO or such other senior officers as the CRO may designate, Enforcement[the Department of Enforcement or the

Department of Market Regulation] may initiate a temporary cease and desist proceeding with respect to alleged violations of Section 10(b) of the Exchange Act and SEA Rule 10b-5 thereunder; SEA Rules 15g-1 through 15g-9; NYSE Rule 2010 (if the alleged violation is unauthorized trading, or misuse or conversion of customer assets, or based on violations of Section 17(a) of the Securities Act); or NYSE Rule 2020. [The Department of Enforcement or the Department of Market Regulation]Enforcement shall initiate the proceeding by serving a notice on a member organization or covered person (hereinafter "Respondent") and filing a copy thereof with the Office of Hearing Officers. Enforcement[The Department of Enforcement or the Department of Market Regulation] shall serve the notice by personal service or overnight commercial courier. The notice shall be effective upon service.

(b) Contents of Notice

The notice shall set forth the rule or statutory provision that the Respondent is alleged to have violated and that Enforcement[the Department of Enforcement or the Department of Market Regulation] is seeking to have the Respondent ordered to cease violating. The notice also shall state whether Enforcement[the Department of Enforcement or the Department of Market Regulation] is requesting the Respondent to be required to take action or to refrain from taking action. The notice shall be accompanied by:

(1) a declaration of facts, signed by a person with knowledge of the facts contained therein, that specifies the acts or omissions that constitute the alleged violation; and

(2) a proposed order that contains the required elements of a temporary cease and desist order (except the date and hour of the order's issuance), which are set forth in Rule 9840(b).

(c) Filing of Underlying Complaint

If Enforcement[the Department of Enforcement or the Department of Market Regulation] has not issued a complaint under Rule 9211 against the Respondent relating to the subject matter of the temporary cease and desist proceeding and alleging violations of the rule or statutory provision specified in the notice described in paragraph (b), Enforcement[the Department of Enforcement or the Department of Market Regulation] shall serve and file such a complaint with the notice initiating the temporary cease and desist proceeding.

Rule 9820. Appointment of Hearing Officer and Hearing Panel

(a) As soon as practicable after Enforcement[the Department of Enforcement or the Department of Market Regulation] files a copy of the notice initiating a temporary cease and desist proceeding with the Office of Hearing Officers, the Chief Hearing Officer shall assign a Hearing Officer to preside over the temporary cease and desist proceeding. The Chief Hearing Officer shall appoint two Panelists to serve on a Hearing Panel with the Hearing Officer. The Panelists shall be appointed pursuant to Rule 9231.

Rule 9830. Hearing

(b) Service of Notice of Hearing

The Office of Hearing Officers shall serve a notice of date, time, and place of the hearing on Enforcement[the Department of Enforcement or the Department of Market Regulation] and the Respondent not later than seven days before the hearing, unless otherwise ordered by the Hearing Officer. Service shall be made by personal service or overnight commercial courier. The notice shall be effective upon service.

(h) Failure to Appear at Hearing

If a Respondent fails to appear at a hearing for which it has notice, the allegations in the notice and accompanying declaration may be deemed admitted, and the Hearing Panel may issue a temporary cease and desist order without further proceedings. If Enforcement[the Department of Enforcement or Department of Market Regulation] fails to appear at a hearing for which it has notice, the Hearing Panel may order that the temporary cease and desist proceeding be dismissed.
