Martha Redding
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New York Stock Exchange
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[redacted]

July 13, 2015

VIA E-MAIL

Kevin M. O'Neill
Deputy Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090

Re: Securities Exchange Act Rel. No. 34-74682 (SR-NYSEMKT-2015-22)

Dear Mr. O'Neill:

NYSE MKT, LLC. filed the attached Amendment No. 2 to the above-referenced filing on July 10, 2015.

Sincerely,

Encl. (Amendment No. 2 to SR-NYSEMKT-2015-22)

OMB APPROVAL	
OMB Number:	3235-0045
Estimated average burden hours per response............38	

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No.* SR - 2015 - * 22
Amendment No. (req. for Amendments *) 2

Filing by NYSE MKT LLC.

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☐	☑	☐	☑	☐	☐

Pilot	Extension of Time Period for Commission Action *	Date Expires *
☐	☐	

Rule

19b-4(f)(1) 19b-4(f)(4)
19b-4(f)(2) 19b-4(f)(5)
19b-4(f)(3) 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) Section 806(e)(2)

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2)

Exhibit 2 Sent As Paper Document Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposal to amend Rule 13 Equities and related rules governing order types and modifiers

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 * Clare Last Name * Saperstein
Title * Associate General 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.

Date 07/10/2015
By Martha Redding
(Name *)

(Title *)
Assistant Secretary

Martha Redding, [redacted]

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.

Required fields are shown with yellow backgrounds and asterisks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information * Add Remove View	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 * Add Remove View	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 Add Remove View	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 Add Remove View 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 Add Remove View 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 Add Remove View	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 Add Remove View	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.

1. Text of the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)[1] and Rule 19b-4 thereunder,[2] NYSE MKT LLC (“NYSE MKT” or the “Exchange”), proposes to amend Rule 13 - Equities and related rules governing order types and modifiers. This Amendment No. 2 supersedes the original filing in its entirety.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

(b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action by the Board of Directors or the membership of the Exchange is required. Therefore, the Exchange’s internal procedures with respect to the proposed change are complete.

The persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Clare F. Saperstein
Associate General Counsel
NYSE Group, Inc.
(212) 656-2355

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

On June 5, 2014, in a speech entitled “Enhancing Our Market Equity Structure,” Mary Jo White, Chair of the Securities and Exchange Commission (“SEC” or the “Commission”) requested the equity exchanges to conduct a comprehensive review of their order types and how they operate in practice, and as part of this

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1 15 U.S.C. 78s(b)(1).

2 17 CFR 240.19b-4.

review, consider appropriate rule changes to help clarify the nature of their order types.[3] Subsequent to the Chair's speech, the SEC's Division of Trading and Markets requested that the equity exchanges complete their reviews and submit any proposed rule changes.[4]

The Exchange notes that it continually assesses its rules governing order types and undertook on its own initiative a review of its rules related to order functionality to assure that its various order types, which have been adopted and amended over the years, accurately describe the functionality associated with those order types, and more specifically, how different order types may interact. As a result of that review, the Exchange submitted a proposed rule change to delete rules relating to functionality that was not available.[5] In addition, over the years, when filing rule changes to adopt new functionality, the Exchange has used those filings as an opportunity to streamline related existing rule text for which functionality has not changed.[6]

The Exchange is filing this proposed rule change to continue with its efforts to review and clarify its rules governing order types, as appropriate. Specifically, the Exchange notes that Rule 13 – Equities ("Rule 13") is currently structured alphabetically, and does not include subsection numbering. The Exchange proposes to provide additional clarity to Rule 13, which sets forth Orders and Modifiers, by re-grouping and re-numbering current rule text and making other non-substantive, clarifying changes. The proposed rule changes are not intended

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3 See Mary Jo White, Chair, Securities and Exchange Commission, Speech at the Sandler, O'Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014) (available at www.sec.gov/News/Speech/Detail/Speech/1370542004312#.U5HI-fmwJiw).

4 See Letter from James Burns, Deputy Director, Division of Trading and Markets, Securities and Exchange Commission, to Jeffrey C. Sprecher, Chief Executive Officer, Intercontinental Exchange, Inc., dated June 20, 2014.

5 See Securities Exchange Act Release No. 71898 (April 8, 2014), 79 FR 20957 (April 14, 2014) (SR-NYSEMKT-2014-27) ("2014 Pegging Filing") (amending rules governing pegging interest to conform to functionality that is available at the Exchange).

6 See, e.g., Securities Exchange Act Release Nos. 68305 (Nov. 28, 2012), 77 FR 71853 (Dec. 4, 2012) (SR-NYSEMKT-2012-67) (amending rules governing pegging interest to, among other things, make non-substantive changes, including moving the rule text from Rule 70.26 - Equities to Rule 13, to make the rule text more focused and streamlined) ("2012 Pegging Filing"), and 71175 (Dec. 23, 2013), 78 FR 79534 (Dec. 30, 2013) (SR-NYSEMKT-2013-25) (approval order for rule proposal that, among other things, amended Rule 70 governing Floor broker reserve e-quotes that streamlined the rule text without making substantive changes) ("2013 Reserve e-Quote Filing").

to reflect changes to functionality but rather to clarify Rule 13 to make it easier to navigate.[7] In addition, the Exchange proposes to amend certain rules to remove references to functionality that is no longer operative and to make clarifying amendments.

Proposed Rule 13 Restructure

The Exchange proposes to re-structure Rule 13 to re-group existing order types and modifiers together along functional lines.

As discussed below, Rule 13 already specifies whether one or more market participants may not enter a specific type of order or modifier. In order to provide clarity regarding which market participants may enter specific orders, the Exchange proposes to state at the beginning of Rule 13 that unless otherwise specified in Rule 13, Rule 70 – Equities ("Rule 70") (for Floor brokers), or Rule 104 – Equities ("Rule 104") (for DMMs),[8] orders and modifiers are available for all member organizations. As discussed in greater detail below, because Rule 70 governs entry of Floor broker interest and Rule 104 governs entry of DMM interest, the Exchange proposes to amend those rules to specify orders or modifiers that are not available for Floor brokers or DMMs, respectively.

Proposed new subsection (a) of Rule 13 would set forth the Exchange's order types that are the foundation for all other order type instructions, i.e., the primary order types. The proposed primary order types would be:

- Market Orders. Rule text governing Market Orders would be moved to new Rule 13(a)(1). The Exchange proposes a non-substantive change to replace the reference to "Display Book" with a reference to "Exchange systems."[9] The Exchange notes that it proposes to capitalize the term

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7 The Exchange notes that its affiliated exchanges, New York Stock Exchange LLC ("NYSE") and NYSE Arca, Inc. are proposing similar restructuring of their respective order type rules to group order types and modifiers. See SR-NYSE-2015-15 and Securities Exchange Act Release No. 74796 (April 23, 2015), 80 FR 23838 (April 29, 2015) (SR-NYSEArca-2015-08) (Approval Order).

8 As defined in Rule 2(i) - Equities, a "Designated Market Maker" or "DMM" means an individual member, officer, partner, employee or associated person of a Designated Market Maker Unit who is approved by the Exchange to act in the capacity of a DMM. As defined in Rule 2(j) - Equities, a "DMM unit" is a member organization or unit within a member organization that has met the requirements of Rule 98 - Equities and 103 - Equities.

9 The Exchange proposes to replace the term "Display book" with the term "Exchange systems" when use of the term refers to the Exchange systems that receive and execute orders. The Exchange proposes to replace the term "Display

"Market Order" throughout new Rule 13.

Rule 70(a)(i), which governs the entry of Floor broker agency interest files, also referred to as e-Quotes, defines such interest as files at "multiple price points." Because e-Quotes are filed at specific price points, e-Quotes are unavailable for unpriced orders, including Market Orders or unelected Stop Orders. Rule 70(a)(i) already specifies that e-Quotes are not available for unelected Stop Orders and the Exchange proposes to clarify Rule 70(a)(i) to explicitly state that e-Quotes are not available for Market Orders. The Exchange also proposes a non-substantive amendment to capitalize the term "Stop Order."

In addition, because DMMs do not have customers, but instead have specific obligations to supply liquidity to maintain depth and continuity and minimize the effects of temporary disparity between supply and demand,[10] they have historically not needed Market Orders, and therefore Exchange systems do not accept Market Orders from DMMs. The Exchange proposes to amend Rule 104 to add new subsection (b)(vi) to that Rule to clarify which orders and modifiers may not be entered by DMM units, which as proposed, would include Market Orders.

- Limit Orders. Rule text governing Limit Orders would be moved to new Rule 13(a)(2). The Exchange proposes a non-substantive change to capitalize the term "Limit Order," and to shorten the definition in a manner that streamlines the rule text without changing the meaning of the rule. The Exchange notes that it proposes to capitalize the term "Limit Order" throughout new Rule 13.

The Exchange notes that it proposes to delete the definition of "Auto Ex Order" because all orders entered electronically at the Exchange are eligible for automatic execution in accordance with Rules 1000-1004 - Equities and therefore the Exchange does not believe that it needs to separately define an Auto Ex Order. Rather than maintain a separate definition, the Exchange proposes to specify in proposed Rule 13(a) that all orders entered electronically at the Exchange are eligible for automatic execution consistent with the terms of the order and Rules 1000 – 1004 - Equities. The Exchange notes that Rule 13 currently provides for specified instructions for orders that may not execute on arrival, even if marketable, e.g., a Limit Order designated ALO, or may only be eligible to participate in an auction, accordingly, the terms of the order also control whether a marketable order would automatically execute upon arrival. The Exchange further proposes to specify that interest represented manually by Floor brokers,

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Book" with the term "Exchange's book" when use of the term refers to the interest that has been entered and ranked in Exchange systems.

10 See Rule 104(f)(ii).

i.e., orally bid or offered at the point of sale on the Trading Floor, is not eligible for automatic execution. The Exchange notes that the order types currently specified in the definition for auto ex order are already separately defined in Rule 13 or Rule 70(a)(ii) - Equities (definition of G order).

Proposed new subsection (b) of Rule 13 would set forth the existing Time in Force Modifiers that the Exchange makes available for orders entered at the Exchange. The Exchange proposes to: (i) move rule text governing Day Orders to new Rule 13(b)(1), without any substantive changes to the rule text; (ii) move rule text governing Good til Cancelled Orders to new Rule 13(b)(2), without any substantive changes to the rule text; and (iii) move rule text governing Immediate or Cancel Orders to new Rule 13(b)(3) without any substantive changes to rule text. The Exchange notes that these time-in-force conditions are not separate order types, but rather are modifiers to orders. Accordingly, the Exchange proposes to re-classify them as modifiers and remove the references to the term “Order.” In addition, as noted above, the Exchange proposes to capitalize the term “Limit Order” in Rule 13(b).

Proposed Rule 13(b)(2) provides that GTC orders must not be transmitted to Floor broker hand-held device or Floor broker systems, which is based on the current rule text without any changes. Because Floor brokers cannot receive GTC orders from their customers, they cannot enter such orders at the Exchange either, or enter instructions that are related to the GTC Modifier, i.e., the DNR Modifier and DNI Modifier. The Exchange proposes to amend Rule 70(a)(i) to provide more clarity by adding that e-Quotes may not include the GTC Modifier, DNR Modifier, or DNI Modifier. In addition, because DMMs do not have customers, but instead are trading every day in their registered securities, DMMs may not enter GTC modifiers or the related DNR and DNI Modifiers. Accordingly, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter GTC Modifiers, DNR Modifiers, or DNI Modifiers.

Proposed new subsection (c) of Rule 13 would specify the Exchange’s existing Auction-Only Orders. In moving the rule text, the Exchange proposes the following non-substantive changes: (i) capitalize the terms “Limit Order,” “CO Order,” and “Market Order”; (ii) move the rule text for CO Orders to new Rule 13(c)(1); (iii) rename a “Limit ‘At the Close’ Order” as a “Limit-on-Close (LOC) Order” and move the rule text to new Rule 13(c)(2); (iv) rename a “Limit ‘On-the-Open’ Order” as a “Limit-on-Open (LOO) Order” and move the rule text to new Rule 13(c)(3); (v) rename a “Market ‘At-the-Close’ Order” as a “Market-on-Close (MOC) Order” and move the rule text to new Rule 13(c)(4); and (vi) rename a “Market ‘On-the-Open’ Order” as a “Market-on-Open (MOO) Order” and move the rule text to new Rule 13(c)(5).

Because DMMs are responsible for facilitating the open of trading and the close of trading,[11] DMMs do not enter Auction-Only Orders, but instead enter s-Quotes to participate on the open and close. For clarity, the Exchange proposes to add to new Rule 104(b)(vi) to explicitly state that DMM units may not enter MOO Orders, MOC Orders, LOC Orders, or CO Orders. [12]

Proposed new subsection (d) of Rule 13 would specify the Exchange's existing orders that include instructions not to display all or a portion of the order. The order types proposed to be included in this new subsection are:

- Mid-point Passive Liquidity ("MPL") Orders. Existing rule text governing MPL Orders would be moved to new Rule 13(d)(1) with non-substantive changes to capitalize the term Limit Order, update cross references, and refer to "Add Liquidity Only" as ALO, since ALO is now a separately defined term in new Rule 13(e)(1). The Exchange also proposes to clarify the rule text by deleting the term "including" from the phrase "[a]n MPL Order is not eligible for manual executions, including openings, re-openings, and closings," because MPL Orders would not participate in an opening, re-opening, or closing that is effectuated electronically.[13] The Exchange also proposes to make a non-substantive change to new Rule 13(d)(1)(E) to replace the term "discretionary trade" with "d-Quote," because d-Quotes are the only type of Exchange interest that is eligible to include discretionary pricing instructions.[14] As with the current rule, new Rule 13(d)(1)(B) would specify which interest may not be designated as an MPL Order, which includes d-Quotes. The Exchange notes that d-Quotes are a sub-category of e-Quotes, and Floor brokers may enter e-Quotes as MPL Orders. As specified in the current rule, MPL Orders do not participate in re-openings. The Exchange notes that during a halt, MPL Orders remain on the Exchange's book and become eligible to trade after the Exchange re-opens a security.

- Reserve Orders. Existing rule text governing Reserve Orders would be moved to new Rule 13(d)(2) with non-substantive changes to capitalize the term "Limit Order" and hyphenate the term "Non-Displayed." The Exchange proposes further non-substantive changes to the rule text governing Minimum Display Reserve Orders, which would be in new

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11 See Rule 104(a)(2) and (a)(3).

12 DMMs can enter LOO Orders.

13 See Rule 123C.10 - Equities ("Closings may be effectuated manually or electronically") and Rule 123D(1) - Equities ("Openings may be effectuated manually or electronically").

14 See Rule 70.25 - Equities (Discretionary Instructions for Bids and Offers Represented via Floor Broker Agency Interest Files (e-Quotes^{SM})).

Rule 13(d)(2)(C), to clarify that a Minimum Display Reserve Order would participate in both automatic and manual executions. This is existing functionality relating to Minimum Display Reserve Orders[15] and the proposed rule text aligns with Rule 70(f)(i) - Equities governing Floor broker Minimum Display Reserve e-Quotes.[16] Similarly, the Exchange proposes non-substantive changes to the rule text governing Non-Displayed Reserve Orders, which would be in new Rule 13(d)(2)(D), to clarify that a Non-Displayed Reserve Order would not participate in manual executions. This is existing functionality relating to Non-Displayed Reserve Orders[17] and the proposed rule text aligns with Rule 70(f)(ii) - Equities governing Non-Display Reserve e-Quotes excluded from the DMM.[18] Finally, in proposed new Rule 13(d)(2)(E), the Exchange proposes to clarify that the treatment of reserve interest, which is available for execution only after all displayable interest at that price point has been executed, is applicable to all Reserve Orders, and is not limited to Non-Displayed Reserve Orders.[19]

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15 On October 1, 2008, the Commission approved the Exchange's rule proposal to establish new membership, member firm conduct, and equity trading rules that were based on the existing NYSE rules to reflect that equities trading on the Exchange would be supported by the NYSE's trading system. See Securities Exchange Act Release No. 58705 (Oct. 1, 2008), 73 FR 58995 (Oct. 8. 2008) (SR-Amex-2008-63) (approval order). Because the Exchange's rules are based on the existing NYSE rules, the Exchange believes that pre-October 1, 2008 NYSE rule filings provide guidance concerning Exchange equity rules. See Securities Exchange Act Release No. 57688 (April 18, 2008), 73 FR 22194 at 22197 (April 24, 2008) (SR-NYSE-2008-30) (order approving NYSE rule change that, among other things, adopted new Reserve Order for which the non-displayed portion of the order is eligible to participate in manual executions) ("2008 Reserve Order Filing").

16 See 2013 Reserve e-Quote Filing, supra n. 6.

17 See Securities Exchange Act Release No. 58845 (Oct. 24, 2008), 73 FR 64379 at 64384 (Oct. 29, 2008) (SR-NYSE-2008-46) (order approving the NYSE's New Market Model, including adopting a Non-Displayed Reserve Order that would not be eligible to participate in manual executions); see also Securities Exchange Act Release No. 59022 (Nov. 26, 2008), 73 FR 73683 (Dec. 3, 2008) (SR-NYSEALTR-2008-10) (notice of filing and immediate effectiveness of rule change to conform Exchange equity rules with NYSE rules, including adopting NYSE New Market Model and related changes to adoption of a Non-Displayed Reserve Order).

18 See 2013 Reserve e-Quote Filing, supra n. 6.

19 See 2008 Reserve Order Filing supra n. 15 at 22196 (displayable portion of Reserve Order executed together with other displayable interest at a price point before executing with reserve portion of the order).

> Rule 13(d)(2) governs Reserve Orders entered by off-Floor participants. Rule 70(f) defines Reserve e-Quotes for Floor brokers, which function consistent with the provisions of Rule 13 governing Reserve Orders, subject to the provisions in Rule 70(f)(i) and (ii).[20] The Exchange proposes non-substantive amendments to Rule 70(f) to update the cross references to Rule 13 to specify that the term "displayable" is defined in Rule 13(d)(2)(A) and to replace the term "Rule 13 governing Reserve Orders" with "Rule 13(d)(2)." Reserve interest for DMMs is governed by current Rule 104(c).

Proposed new subsection (e) of Rule 13 would specify the Exchange's existing order types that, by definition, do not route. The order types proposed to be included in this new subsection are:

- Add Liquidity Only ("ALO") Modifiers. Existing rule text governing ALO modifiers would be moved to new Rule 13(e)(1) with non-substantive changes to capitalize the term "Limit Order" and update cross-references. Existing rule text that is being moved to new Rule 13(e)(1)(A) currently provides that Limit Orders designated ALO may participate in opens and closes, but that the ALO instructions would be ignored. Because Limit Orders designated ALO could also participate in re-openings, and the ALO instructions would similarly be ignored, the Exchange proposes to clarify new Rule 13(e)(1)(A) to provide that Limit Orders designated ALO could participate in openings, re-openings, and closings, but that the ALO instructions would be ignored. Similar to the definition of MPL Orders, new Rule 13(e)(1)(C), which is based on current rule text without any changes, specifies which interest may not be designated ALO.

- Do Not Ship ("DNS") Orders. Existing rule text governing DNS Orders would be moved to new Rule 13(e)(2) with non-substantive changes to capitalize the term "Limit Order" and replace the reference to "Display Book" with a reference to "Exchange systems."

- Intermarket Sweep Order. Existing rule text governing ISOs would be moved to new Rule 13(e)(3) with non-substantive changes to capitalize the term "Limit Order", update cross-references, and replace the reference to "Display Book" with a reference to "Exchange's book."

  As specified in Rule 13(e)(3)(A)(ii), when routing an ISO to the Exchange, the entering firm must enter one or more Limit Orders, as

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[20] For example, under Rule 70(f)(ii), unlike a Non-Display Reserve Order, a Non-Display Reserve e-Quote is eligible to participate in a manual execution unless the Floor broker chooses to exclude such order from the DMM.

necessary, routed as ISOs to execute against the full displayed size of protected bids and offers on away markets. Because Floor brokers do not have the ability to route ISOs to protected bids and offers on other market centers, Floor brokers do not have ISO functionality at the Exchange. The Exchange therefore proposes to amend Rule 70(a)(i) to clarify that e-Quotes would not be available for ISOs.

Similar to Floor brokers, while on the Trading Floor, DMMs do not have the ability to route orders to other market centers and therefore have not needed ISOs. However, recent amendments to Rule 98 – Equities ("Rule 98") have expanded the ability of DMM units to integrate their trading activity with off-Floor trading desks.[21] Because the off-Floor trading desks of a DMM unit can access away markets electronically and therefore route ISOs to away markets, the Exchange will be making system changes to enable DMMs to enter ISOs at the Exchange. DMM units entering ISOs at the Exchange would be subject to the requirements of Rule 600(b)(3) of Regulation NMS,[22] defining ISOs, and Rule 13(e)(3). Although DMMs cannot currently enter ISOs, the Exchange does not propose to state in new Rule 104(b)(vi) that DMMs would not be able to enter ISOs. Rather, this proposed rule change is to clarify that DMMs will have ISOs. However, because of the technology changes necessary to make ISOs available for DMM units, the Exchange will announce by Trader Update the implementation date for DMM units to enter ISOs.

Proposed new subsection (f) of Rule 13 would specify the Exchange's other existing order instructions and modifiers, including:

- Do Not Reduce ("DNR") Modifier. Existing rule text governing DNR Orders would be moved to new Rule 13(f)(1) with non-substantive changes to capitalize the terms "Limit Order" and "Stop Order." In addition, the Exchange believes that because DNR instructions would be added to an order, DNR is more appropriately referred to as a modifier rather than as an order type.

- Do Not Increase ("DNI") Modifiers. Existing rule text governing DNI Orders would be moved to new Rule 13(f)(2) with non-substantive changes to capitalize the terms "Limit Order" and "Stop Order." In addition, the Exchange believes that because DNI instructions would be

21 See Securities Exchange Act Release No. 72535 (July 3, 2014), 79 FR 39024 (July 9, 2014) (SR-NYSEMKT-2014-22) (Order approving amendments to Rule 98 that, among other things, provide DMM units with greater flexibility in structuring their operations, subject to a principles-based approach to protect against the misuse of material non-public information).

22 17 CFR 242.600(b)(3).

added to an order, DNI is more appropriately referred to as a modifier rather than as an order type.

- Pegging Interest. Existing rule text governing Pegging Interest and related subsections would be moved to new Rule 13(f)(3) with two clarifying changes to the existing rule text. First, because Pegging Interest is currently available for e-Quotes and d-Quotes only, the Exchange proposes to replace the term "can" with the term "must" in new Rule 13(f)(3)(a)(i) to provide that Pegging Interest "must be an e-Quote or d-Quote." Second, the Exchange proposes to delete reference to the term "Primary Pegging Interest," because the Exchange has only one form of pegging interest.[23]

- Retail Modifiers. Existing rule text governing Retail Modifiers and related subsections would be moved to new Rule 13(f)(4) with non-substantive changes to update cross-references.

- Self-Trade Prevention ("STP") Modifier. Existing rule text governing STP Modifiers and related subsections would be moved to new Rule 13(f)(5) with non-substantive changes to capitalize the terms "Limit Orders," "Market Orders," and "Stop Orders" and hyphenate the term "Self-Trade Prevention."

  Rules governing STP Modifiers already specify that STP Modifiers are not available for d-Quotes. Because STP Modifiers, as defined in Rule 13, are not available for DMMs, the Exchange proposes a substantive amendment to Rule 13(f)(5)(B) to provide that the STP Modifier would not be available for DMM interest. Exchange systems prevent DMM buy and sell interest from trading, therefore, the Exchange proposes to amend Rule 104(b)(ii) to provide that Exchange systems would prevent incoming DMM interest from trading with resting DMM interest. The proposed rule would further specify which side would be cancelled. In order to promote the display of liquidity, if the incoming DMM interest would trade with resting DMM interest only, the incoming DMM interest would be cancelled. However, in order to provide trading opportunities for resting orders, if the incoming DMM interest would trade with interest other than DMM interest, the resting DMM interest would be cancelled so that the incoming DMM interest could trade with other resting orders.

- Sell "Plus" – Buy "Minus" Instructions. Existing rule text governing Sell "Plus" – Buy "Minus" Orders would be moved to new Rule 13(f)(6) with non-substantive changes to break the rule into subsections, capitalize the terms "Market Order," "Limit Order," and "Stop Order," and replace the

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[23] See 2014 Pegging Filing, supra n. 5.

references to Display Book with references to Exchange systems. In addition, the Exchange proposes to re-classify this as an order instruction rather than as a separate order.

Because the Sell "Plus" – Buy "Minus" Instruction is not available to DMMs, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter the Sell "Plus" – Buy "Minus" Instruction.

- Stop Orders. Existing rule text governing Stop Orders would be moved to new Rule 13(f)(7) with non-substantive changes to break the rule into subsections, capitalize the term "Market Order," and replace references to "Exchange's automated order routing system" with references to "Exchange systems."

  Because Stop Orders are not available for DMMs, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter Stop Orders.

The Exchange proposes to make conforming changes to Rule 501(d)(2) – Equities relating to the list of order types that are not accepted for trading in UTP Securities by: (i) replacing the term "Market or Limit at the Close" with "MOC or LOC"; (ii) replacing the term "At the Opening or At the Opening Only ("OPG")" with "MOO or LOO"; (iii) deleting the GTX Order reference, as an order instruction that the Exchange no longer accepts; and (iv) updating the subsection rule numbering accordingly.

As part of the proposed restructure of Rule 13, the Exchange proposes to move existing rule text in Rule 13 governing the definition of "Routing Broker" to Rule 17(c), without any change to the rule text. The Exchange believes that Rule 17 - Equities is a more logical location for the definition of Routing Broker because Rule 17(c) - Equities governs the operations of Routing Brokers.

In addition, the Exchange proposes to delete existing rule text in Rule 13 governing Not Held Orders and add rule text relating to not held instructions to supplementary material .20 to Rule 13. Supplementary material .20 to Rule 13 reflects obligations that members have in handling customer orders. Because not held instructions are instructions from a customer to a member or member organization regarding the handling of an order, and do not relate to instructions accepted by Exchange systems for execution, the Exchange believes that references to not held instructions are better suited for this existing supplementary material.

Accordingly, the Exchange proposes to amend supplementary material .20 to Rule 13 to add that generally, an instruction that an order is "not held" refers to an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the member or member organization price and time discretion. The Exchange believes that this proposed amendment aligns the definition of "not held" with guidance from the Financial Industry Regulatory Authority, Inc. ("FINRA") and other markets regarding not held instructions.[24] The Exchange notes that the existing Rule 13 text regarding how to mark a Not Held Order , e.g., "not held," "disregard tape," "take time," etc., are outdated references regarding order marking between a customer and a member or member organization. All Exchange members and member organizations that receive customer orders are subject to Order Audit Trail System ("OATS") obligations, consistent with Rule 7400 - Equities Series and FINRA Rule 7400 Series, which require that order-handling instructions be documented in OATS. Among the order-handling instructions that can be captured in OATS is whether an order is not held.[25] The Exchange believes that these OATS-related obligations now govern how a member or member organization records order-handling instructions from a customer and therefore the terms currently set forth in Rule 13 relating to Not Held Orders are no longer necessary.

Proposed Amendments to Rules 70, 72, and 1000

In addition to the amendments to Rules 70 and 104 described above, the Exchange proposes to amend Rule 70(a)(i) to delete the text in the first sentence that provides "at, or outside the Exchange BBO." Because Floor brokers may use e-Quotes to enter non-displayed orders priced between the Exchange BBO, e.g., Non-Display Reserve e-Quotes or MPL Orders, the current rule that specifies that e-Quotes may be entered at multiple price points on both sides of the market at or outside the Exchange BBO represents obsolete functionality. Accordingly, the Exchange proposes to delete the phrase so that the rule provides that Floor brokers may enter e-Quotes at multiple price points on both sides of the market, without any restriction as to price. The Exchange also proposes non-substantive amendments to replace the term "Display Book system" with "Exchange systems" in Rules 70(a)(i) and (b)(i).

The Exchange proposes to amend Rule 70.25, which governs d-Quotes, to clarify how d-Quotes function at the open and close. Specifically, Rule 70.25(a)(ii)

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24 See FINRA Regulatory Notice 11-29, Answer 3 (June 2011) ("Generally, a 'not held' order is an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the firm price and time discretion."). See also Definition of Market Not Held Order on Nasdaq.com Glossary of Stock Market Terms, available at http://www.nasdaq.com/investing/glossary/m/market-not-held-order.

25 See FINRA OATS Frequently Asked Questions – Technical, at T21 ("An order submitted by a customer who gives the broker discretion as to the price and time of execution is denoted as a "Not Held" order."), available at http://www.finra.org/Industry/Compliance/MarketTransparency/OATS/FAQ/P085542.

provides that "[d]iscretionary instructions are active at all times during the trading day and at the opening and closing transaction." The Exchange proposes to clarify this rule text by adding that d-Quotes may include instructions to participate in the opening and closing transaction only, which is current functionality.[26]

The Exchange also proposes to amend Rule 70.25 governing d-Quotes to clarify that certain functionality set forth in the Rule is no longer available. Specifically, Rule 70.25(c)(ii) currently provides that a Floor broker may designate a maximum size of contra-side volume with which it is willing to trade using discretionary pricing instructions. Because this functionality is not available, the Exchange proposes to delete references to the maximum discretionary size parameter from Rules 70.25(c)(ii) and (c)(v). In addition, the Exchange proposes to amend Rule 70.25(c)(iv) to clarify that the circumstances of when the Exchange would consider interest displayed by other market centers at the price at which a d-Quote may trade are not limited to determining when a d-Quote's minimum or maximum size range is met. Accordingly, the Exchange proposes to delete the clause "when determining if the d-Quote's minimum and/or maximum size range is met." The Exchange believes that the proposed changes to Rule 70.25(c) will provide clarity and transparency regarding the existing functionality relating to d-Quotes at the Exchange.

The Exchange proposes to amend Rule 72 – Equities ("Rule 72") to provide greater clarity regarding how non-displayable orders are allocated. Current Rule 72(c)(i) provides that an automatically executing order will trade first with the displayed bid (offer) and if there is insufficient displayed volume to fill the order, will trade next with reserve interest and all reserve interest will trade on parity. The Exchange proposes to amend Rule 72(c)(i) to replace the term "reserve interest" with the term "non-displayable interest" in order to explicitly state in Rule 72 that the allocation rules govern all non-displayable interest, including MPL Orders, and not just reserve interest. The Exchange similarly proposes to amend Rule 72(c)(x) to add MPL orders to the orders identified as being eligible to trade at price points between the Exchange BBO and also delete the phrase "pursuant to Rule 13" after Reserve Orders as a redundant cross reference and replace the term "NYSE" with "Exchange," which are non-substantive changes.

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[26] In 2008, the Exchange added functionality for d-Quotes to participate in the open and close. See Securities Exchange Act Release No. 59022 (Nov. 26, 2008), 73 FR 73683 (Dec. 3, 2008) (SR-NYSEALTR-2008-10) (amending equity rules to conform to New York Stock Exchange LLC NMM Pilot rules, including amendments to d-Quotes). This functionality included the ability to designate d-Quotes to participate in an auction only. See Securities Exchange Act Release No. 60887 (Oct. 27, 2009), 74 FR 56889, 56900 at fn. 7 (Nov. 3, 2009) (SR-NYSEAmex-2009-76) (Notice of Filing) ("The Exchange will continue to provide functionality to allow brokers to designate d-Quotes that may participate on the open and on the close.")

These proposed rule changes are consistent with current Rule 13 governing MPL Orders, which provides that MPL Orders are allocated consistent with Rule 72.

The Exchange also proposes to amend Rule 72(c)(i) to change the phrase "the displayed bid (offer)" to "displayable bids (offers)" and change the phrase "displayed volume" to "displayable volume." [27] This proposed rule change clarifies that displayable interest, such as odd-lot orders, trade before non-displayable interest and governs executions at any price point, including price points where there is no displayed interest, such as executions between the BBO. For example, resting displayable odd-lot orders at price points between the BBO would trade before non-displayable interest, such as reserve interest or MPL Orders, at the same price.

Finally, the Exchange proposes to amend Rule 1000(a) – Equities ("Rule 1000"), which provides that an automatically executing order shall receive an immediate, automatic execution against orders reflected in the Exchange published quotation, orders on the Display Book®, Floor broker agency file interest ("e-Quotes"), Floor broker proprietary file interest ("G-quotes"), DMM interest, and interest placed in the Exchange's systems by DMMs pursuant to a Capital Commitment Schedule in accordance with, and to the extent provided by Exchange rules. The Exchange proposes to add clarity to this rule to provide that the phrase "to the extent provided by Exchange rules" includes Rules 13 - Equities, 60 - Equities, 70 - Equities, 72 - Equities, and 104 - Equities.

(b) <u>Statutory Basis</u>

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),[28] in general, and furthers the objectives of Section 6(b)(5),[29] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Specifically, the Exchange believes that the proposed restructuring of Rule 13, to group existing order types to align by

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27 Rule 72(a)(i) provides that as used in Rule 72, the term "displayable" means that portion of interest that could be published as, or as part of, the Exchange BBO. A displayable odd lot order is published as part of the Exchange BBO when, if aggregated with other interest available for execution at that price point, the sum of the odd-lot order and other interest available at that price point would be equal to or greater than a round lot.

28 15 U.S.C. 78f(b).

29 15 U.S.C. 78f(b)(5).

functionality, would remove impediments to and perfect the mechanism of a free and open market by ensuring that members, regulators, and the public can more easily navigate the Exchange's rulebook and better understand the order types available for trading on the Exchange. In addition, the Exchange believes that the proposed revisions to Rules 13, 70, and 104 and related conforming changes to Rule 501(d)(2) – Equities promote clarity regarding existing functionality that has been approved in prior rule filings, but which may not have been codified in rule text.[30] The Exchange further believes that the proposed changes promote clarity regarding which orders and modifiers are available to different market participants.

Moreover, the Exchange believes that moving rule text defining a Routing Broker to Rule 17 - Equities represents a more logical location for such definition, thereby making it easier for market participants to navigate Exchange rules. Likewise, the Exchange believes the proposed changes to "Not Held Order," to move it to supplementary material .20 to Rule 13 and revise the rule text to conform with guidance from FINRA and OATS requirements, would remove impediments to and perfect the mechanism of a free and open market and a national market system by applying a uniform definition of not held instructions across multiple markets, thereby reducing the potential for confusion regarding the meaning of not held instructions. The Exchange further believes that providing DMM units with the ability to enter ISOs would remove impediments to and perfect the mechanism of a free and open market and national market system because under Rule 98, DMM units are permitted to be integrated with off-Floor trading units that trade on other markets, and therefore the proposed functionality would enable DMM units to enter ISOs consistent with Regulation NMS.

Finally, the Exchange believes that the proposed changes to Rules 70, 72, 104, and 1000 would remove impediments to and perfect the mechanism of a free and open market and national market system in general because the proposed rule changes assure that the Exchange's rules align with the existing functionality available at the Exchange for e-Quotes, d-Quotes, and DMM interest, and provide clarity how non-displayable interest is allocated and regarding which Exchange rules govern automatic executions.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is not designed to address any competitive issue but rather would re-structure Rule 13, make clarifying amendments, and remove rule text that relates to functionality that is no longer

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30 See supra nn. 15-19, 23, 26.

operative, thereby reducing confusion and making the Exchange's rules easier to navigate.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

The Exchange does not consent at this time to an extension of any time period for Commission action.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

Not applicable.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Federal Register

Exhibit 4 – Text of newly proposed rule change with comparison of previously proposed text of rule change

Exhibit 5 – Text of Proposed Rule Change

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEMKT-2015-22, Amendment No. 2)

[Date]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing of Proposed Rule Change Amending Rule 13 - Equities and Related Rules Governing Order Types and Modifiers

Pursuant to Section 19(b)(1)[1] of the Securities Exchange Act of 1934 (the "Act")[2] and Rule 19b-4 thereunder,[3] notice is hereby given that, on July 10, 2015, NYSE MKT LLC (the "Exchange" or "NYSE MKT") filed with the Securities and Exchange Commission (the "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Rule 13 - Equities and related rules governing order types and modifiers. This Amendment No. 2 supersedes the original filing in its entirety. The text of the proposed rule change is available on the Exchange's website at www.nyse.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included

1 15 U.S.C.78s(b)(1).

2 15 U.S.C. 78a.

3 17 CFR 240.19b-4.

statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

On June 5, 2014, in a speech entitled "Enhancing Our Market Equity Structure," Mary Jo White, Chair of the Securities and Exchange Commission ("SEC" or the "Commission") requested the equity exchanges to conduct a comprehensive review of their order types and how they operate in practice, and as part of this review, consider appropriate rule changes to help clarify the nature of their order types.[4] Subsequent to the Chair's speech, the SEC's Division of Trading and Markets requested that the equity exchanges complete their reviews and submit any proposed rule changes.[5]

The Exchange notes that it continually assesses its rules governing order types and undertook on its own initiative a review of its rules related to order functionality to assure that its various order types, which have been adopted and amended over the years, accurately describe the functionality associated with those order types, and more

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4 See Mary Jo White, Chair, Securities and Exchange Commission, Speech at the Sandler, O'Neill & Partners, L.P. Global Exchange and Brokerage Conference (June 5, 2014) (available at www.sec.gov/News/Speech/Detail/Speech/1370542004312#.U5HI-fmwJiw).

5 See Letter from James Burns, Deputy Director, Division of Trading and Markets, Securities and Exchange Commission, to Jeffrey C. Sprecher, Chief Executive Officer, Intercontinental Exchange, Inc., dated June 20, 2014.

specifically, how different order types may interact. As a result of that review, the Exchange submitted a proposed rule change to delete rules relating to functionality that was not available.[6] In addition, over the years, when filing rule changes to adopt new functionality, the Exchange has used those filings as an opportunity to streamline related existing rule text for which functionality has not changed.[7]

The Exchange is filing this proposed rule change to continue with its efforts to review and clarify its rules governing order types, as appropriate. Specifically, the Exchange notes that Rule 13 – Equities ("Rule 13") is currently structured alphabetically, and does not include subsection numbering. The Exchange proposes to provide additional clarity to Rule 13, which sets forth Orders and Modifiers, by re-grouping and re-numbering current rule text and making other non-substantive, clarifying changes. The proposed rule changes are not intended to reflect changes to functionality but rather to clarify Rule 13 to make it easier to navigate.[8] In addition, the Exchange proposes to

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6 See Securities Exchange Act Release No. 71898 (April 8, 2014), 79 FR 20957 (April 14, 2014) (SR-NYSEMKT-2014-27) ("2014 Pegging Filing") (amending rules governing pegging interest to conform to functionality that is available at the Exchange).

7 See, e.g., Securities Exchange Act Release Nos. 68305 (Nov. 28, 2012), 77 FR 71853 (Dec. 4, 2012) (SR-NYSEMKT-2012-67) (amending rules governing pegging interest to, among other things, make non-substantive changes, including moving the rule text from Rule 70.26 - Equities to Rule 13, to make the rule text more focused and streamlined) ("2012 Pegging Filing"), and 71175 (Dec. 23, 2013), 78 FR 79534 (Dec. 30, 2013) (SR-NYSEMKT-2013-25) (approval order for rule proposal that, among other things, amended Rule 70 governing Floor broker reserve e-quotes that streamlined the rule text without making substantive changes) ("2013 Reserve e-Quote Filing").

8 The Exchange notes that its affiliated exchanges, New York Stock Exchange LLC ("NYSE") and NYSE Arca, Inc. are proposing similar restructuring of their respective order type rules to group order types and modifiers. See SR-NYSE-2015-15 and Securities Exchange Act Release No. 74796 (April 23, 2015), 80 FR 23838 (April 29, 2015) (SR-NYSEArca-2015-08) (Approval Order).

amend certain rules to remove references to functionality that is no longer operative and to make clarifying amendments.

Proposed Rule 13 Restructure

The Exchange proposes to re-structure Rule 13 to re-group existing order types and modifiers together along functional lines.

As discussed below, Rule 13 already specifies whether one or more market participants may not enter a specific type of order or modifier. In order to provide clarity regarding which market participants may enter specific orders, the Exchange proposes to state at the beginning of Rule 13 that unless otherwise specified in Rule 13, Rule 70 – Equities ("Rule 70") (for Floor brokers), or Rule 104 – Equities ("Rule 104") (for DMMs),[9] orders and modifiers are available for all member organizations. As discussed in greater detail below, because Rule 70 governs entry of Floor broker interest and Rule 104 governs entry of DMM interest, the Exchange proposes to amend those rules to specify orders or modifiers that are not available for Floor brokers or DMMs, respectively.

Proposed new subsection (a) of Rule 13 would set forth the Exchange's order types that are the foundation for all other order type instructions, i.e., the primary order types. The proposed primary order types would be:

- Market Orders. Rule text governing Market Orders would be moved to new Rule 13(a)(1). The Exchange proposes a non-substantive change to

[9] As defined in Rule 2(i) - Equities, a "Designated Market Maker" or "DMM" means an individual member, officer, partner, employee or associated person of a Designated Market Maker Unit who is approved by the Exchange to act in the capacity of a DMM. As defined in Rule 2(j) - Equities, a "DMM unit" is a member organization or unit within a member organization that has met the requirements of Rule 98 - Equities and 103 - Equities.

replace the reference to "Display Book" with a reference to "Exchange systems."[10] The Exchange notes that it proposes to capitalize the term "Market Order" throughout new Rule 13.

Rule 70(a)(i), which governs the entry of Floor broker agency interest files, also referred to as e-Quotes, defines such interest as files at "multiple price points." Because e-Quotes are filed at specific price points, e-Quotes are unavailable for unpriced orders, including Market Orders or unelected Stop Orders. Rule 70(a)(i) already specifies that e-Quotes are not available for unelected Stop Orders and the Exchange proposes to clarify Rule 70(a)(i) to explicitly state that e-Quotes are not available for Market Orders. The Exchange also proposes a non-substantive amendment to capitalize the term "Stop Order."

In addition, because DMMs do not have customers, but instead have specific obligations to supply liquidity to maintain depth and continuity and minimize the effects of temporary disparity between supply and demand,[11] they have historically not needed Market Orders, and therefore Exchange systems do not accept Market Orders from DMMs. The Exchange proposes to amend Rule 104 to add new subsection (b)(vi) to that Rule to clarify which orders and modifiers may not be entered by

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10 The Exchange proposes to replace the term "Display book" with the term "Exchange systems" when use of the term refers to the Exchange systems that receive and execute orders. The Exchange proposes to replace the term "Display Book" with the term "Exchange's book" when use of the term refers to the interest that has been entered and ranked in Exchange systems.

11 See Rule 104(f)(ii).

DMM units, which as proposed, would include Market Orders.

- Limit Orders. Rule text governing Limit Orders would be moved to new Rule 13(a)(2). The Exchange proposes a non-substantive change to capitalize the term "Limit Order," and to shorten the definition in a manner that streamlines the rule text without changing the meaning of the rule. The Exchange notes that it proposes to capitalize the term "Limit Order" throughout new Rule 13.

The Exchange notes that it proposes to delete the definition of "Auto Ex Order" because all orders entered electronically at the Exchange are eligible for automatic execution in accordance with Rules 1000-1004 - Equities and therefore the Exchange does not believe that it needs to separately define an Auto Ex Order. Rather than maintain a separate definition, the Exchange proposes to specify in proposed Rule 13(a) that all orders entered electronically at the Exchange are eligible for automatic execution consistent with the terms of the order and Rules 1000 – 1004 - Equities. The Exchange notes that Rule 13 currently provides for specified instructions for orders that may not execute on arrival, even if marketable, e.g., a Limit Order designated ALO, or may only be eligible to participate in an auction, accordingly, the terms of the order also control whether a marketable order would automatically execute upon arrival. The Exchange further proposes to specify that interest represented manually by Floor brokers, i.e., orally bid or offered at the point of sale on the Trading Floor, is not eligible for automatic execution. The Exchange notes that the order types currently specified in the definition for auto ex order are already separately defined in Rule 13 or Rule 70(a)(ii) - Equities (definition of G order).

Proposed new subsection (b) of Rule 13 would set forth the existing Time in Force Modifiers that the Exchange makes available for orders entered at the Exchange. The Exchange proposes to: (i) move rule text governing Day Orders to new Rule 13(b)(1), without any substantive changes to the rule text; (ii) move rule text governing Good til Cancelled Orders to new Rule 13(b)(2), without any substantive changes to the rule text; and (iii) move rule text governing Immediate or Cancel Orders to new Rule 13(b)(3) without any substantive changes to rule text. The Exchange notes that these time-in-force conditions are not separate order types, but rather are modifiers to orders. Accordingly, the Exchange proposes to re-classify them as modifiers and remove the references to the term "Order." In addition, as noted above, the Exchange proposes to capitalize the term "Limit Order" in Rule 13(b).

Proposed Rule 13(b)(2) provides that GTC orders must not be transmitted to Floor broker hand-held device or Floor broker systems, which is based on the current rule text without any changes. Because Floor brokers cannot receive GTC orders from their customers, they cannot enter such orders at the Exchange either, or enter instructions that are related to the GTC Modifier, i.e., the DNR Modifier and DNI Modifier. The Exchange proposes to amend Rule 70(a)(i) to provide more clarity by adding that e-Quotes may not include the GTC Modifier, DNR Modifier, or DNI Modifier. In addition, because DMMs do not have customers, but instead are trading every day in their registered securities, DMMs may not enter GTC modifiers or the related DNR and DNI Modifiers. Accordingly, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter GTC Modifiers, DNR Modifiers, or DNI Modifiers.

Proposed new subsection (c) of Rule 13 would specify the Exchange's existing

Auction-Only Orders. In moving the rule text, the Exchange proposes the following non-substantive changes: (i) capitalize the terms “Limit Order,” “CO Order,” and “Market Order”; (ii) move the rule text for CO Orders to new Rule 13(c)(1); (iii) rename a “Limit ‘At the Close’ Order” as a “Limit-on-Close (LOC) Order” and move the rule text to new Rule 13(c)(2); (iv) rename a “Limit ‘On-the-Open’ Order” as a “Limit-on-Open (LOO) Order” and move the rule text to new Rule 13(c)(3); (v) rename a “Market ‘At-the-Close’ Order” as a “Market-on-Close (MOC) Order” and move the rule text to new Rule 13(c)(4); and (vi) rename a “Market ‘On-the-Open’ Order” as a “Market-on-Open (MOO) Order” and move the rule text to new Rule 13(c)(5).

Because DMMs are responsible for facilitating the open of trading and the close of trading,[12] DMMs do not enter Auction-Only Orders, but instead enter s-Quotes to participate on the open and close. For clarity, the Exchange proposes to add to new Rule 104(b)(vi) to explicitly state that DMM units may not enter MOO Orders, MOC Orders, LOC Orders, or CO Orders. [13]

Proposed new subsection (d) of Rule 13 would specify the Exchange’s existing orders that include instructions not to display all or a portion of the order. The order types proposed to be included in this new subsection are:

- Mid-point Passive Liquidity (“MPL”) Orders. Existing rule text governing MPL Orders would be moved to new Rule 13(d)(1) with non-substantive changes to capitalize the term Limit Order, update cross references, and refer to “Add Liquidity Only” as ALO, since ALO is now

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12 See Rule 104(a)(2) and (a)(3).

13 DMMs can enter LOO Orders.

a separately defined term in new Rule 13(e)(1). The Exchange also proposes to clarify the rule text by deleting the term "including" from the phrase "[a]n MPL Order is not eligible for manual executions, including openings, re-openings, and closings," because MPL Orders would not participate in an opening, re-opening, or closing that is effectuated electronically.[14] The Exchange also proposes to make a non-substantive change to new Rule 13(d)(1)(E) to replace the term "discretionary trade" with "d-Quote," because d-Quotes are the only type of Exchange interest that is eligible to include discretionary pricing instructions.[15] As with the current rule, new Rule 13(d)(1)(B) would specify which interest may not be designated as an MPL Order, which includes d-Quotes. The Exchange notes that d-Quotes are a sub-category of e-Quotes, and Floor brokers may enter e-Quotes as MPL Orders. As specified in the current rule, MPL Orders do not participate in re-openings. The Exchange notes that during a halt, MPL Orders remain on the Exchange's book and become eligible to trade after the Exchange re-opens a security.

- Reserve Orders. Existing rule text governing Reserve Orders would be moved to new Rule 13(d)(2) with non-substantive changes to capitalize the term "Limit Order" and hyphenate the term "Non-Displayed." The Exchange proposes further non-substantive changes to the rule text

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[14] See Rule 123C.10 - Equities ("Closings may be effectuated manually or electronically") and Rule 123D(1) - Equities ("Openings may be effectuated manually or electronically").

[15] See Rule 70.25 - Equities (Discretionary Instructions for Bids and Offers Represented via Floor Broker Agency Interest Files (e-Quotes[SM])).

governing Minimum Display Reserve Orders, which would be in new Rule 13(d)(2)(C), to clarify that a Minimum Display Reserve Order would participate in both automatic and manual executions. This is existing functionality relating to Minimum Display Reserve Orders[16] and the proposed rule text aligns with Rule 70(f)(i) - Equities governing Floor broker Minimum Display Reserve e-Quotes.[17] Similarly, the Exchange proposes non-substantive changes to the rule text governing Non-Displayed Reserve Orders, which would be in new Rule 13(d)(2)(D), to clarify that a Non-Displayed Reserve Order would not participate in manual executions. This is existing functionality relating to Non-Displayed Reserve Orders[18] and the proposed rule text aligns with Rule

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16 On October 1, 2008, the Commission approved the Exchange's rule proposal to establish new membership, member firm conduct, and equity trading rules that were based on the existing NYSE rules to reflect that equities trading on the Exchange would be supported by the NYSE's trading system. See Securities Exchange Act Release No. 58705 (Oct. 1, 2008), 73 FR 58995 (Oct. 8. 2008) (SR-Amex-2008-63) (approval order). Because the Exchange's rules are based on the existing NYSE rules, the Exchange believes that pre-October 1, 2008 NYSE rule filings provide guidance concerning Exchange equity rules. See Securities Exchange Act Release No. 57688 (April 18, 2008), 73 FR 22194 at 22197 (April 24, 2008) (SR-NYSE-2008-30) (order approving NYSE rule change that, among other things, adopted new Reserve Order for which the non-displayed portion of the order is eligible to participate in manual executions) ("2008 Reserve Order Filing").

17 See 2013 Reserve e-Quote Filing, supra n. 7.

18 See Securities Exchange Act Release No. 58845 (Oct. 24, 2008), 73 FR 64379 at 64384 (Oct. 29, 2008) (SR-NYSE-2008-46) (order approving the NYSE's New Market Model, including adopting a Non-Displayed Reserve Order that would not be eligible to participate in manual executions); see also Securities Exchange Act Release No. 59022 (Nov. 26, 2008), 73 FR 73683 (Dec. 3, 2008) (SR-NYSEALTR-2008-10) (notice of filing and immediate effectiveness of rule change to conform Exchange equity rules with NYSE rules, including adopting NYSE New Market Model and related changes to adoption of a Non-Displayed

70(f)(ii) - Equities governing Non-Display Reserve e-Quotes excluded from the DMM.[19] Finally, in proposed new Rule 13(d)(2)(E), the Exchange proposes to clarify that the treatment of reserve interest, which is available for execution only after all displayable interest at that price point has been executed, is applicable to all Reserve Orders, and is not limited to Non-Displayed Reserve Orders.[20]

Rule 13(d)(2) governs Reserve Orders entered by off-Floor participants. Rule 70(f) defines Reserve e-Quotes for Floor brokers, which function consistent with the provisions of Rule 13 governing Reserve Orders, subject to the provisions in Rule 70(f)(i) and (ii).[21] The Exchange proposes non-substantive amendments to Rule 70(f) to update the cross references to Rule 13 to specify that the term "displayable" is defined in Rule 13(d)(2)(A) and to replace the term "Rule 13 governing Reserve Orders" with "Rule 13(d)(2)." Reserve interest for DMMs is governed by current Rule 104(c).

Proposed new subsection (e) of Rule 13 would specify the Exchange's existing order types that, by definition, do not route. The order types proposed to be included in this new subsection are:

Reserve Order).

[19] See 2013 Reserve e-Quote Filing, supra n. 7.

[20] See 2008 Reserve Order Filing supra n. 16 at 22196 (displayable portion of Reserve Order executed together with other displayable interest at a price point before executing with reserve portion of the order).

[21] For example, under Rule 70(f)(ii), unlike a Non-Display Reserve Order, a Non-Display Reserve e-Quote is eligible to participate in a manual execution unless the Floor broker chooses to exclude such order from the DMM.

- Add Liquidity Only ("ALO") Modifiers. Existing rule text governing ALO modifiers would be moved to new Rule 13(e)(1) with non-substantive changes to capitalize the term "Limit Order" and update cross-references. Existing rule text that is being moved to new Rule 13(e)(1)(A) currently provides that Limit Orders designated ALO may participate in opens and closes, but that the ALO instructions would be ignored. Because Limit Orders designated ALO could also participate in re-openings, and the ALO instructions would similarly be ignored, the Exchange proposes to clarify new Rule 13(e)(1)(A) to provide that Limit Orders designated ALO could participate in openings, re-openings, and closings, but that the ALO instructions would be ignored. Similar to the definition of MPL Orders, new Rule 13(e)(1)(C), which is based on current rule text without any changes, specifies which interest may not be designated ALO.
- Do Not Ship ("DNS") Orders. Existing rule text governing DNS Orders would be moved to new Rule 13(e)(2) with non-substantive changes to capitalize the term "Limit Order" and replace the reference to "Display Book" with a reference to "Exchange systems."
- Intermarket Sweep Order. Existing rule text governing ISOs would be moved to new Rule 13(e)(3) with non-substantive changes to capitalize the term "Limit Order", update cross-references, and replace the reference to "Display Book" with a reference to "Exchange's book."

  As specified in Rule 13(e)(3)(A)(ii), when routing an ISO to the

Exchange, the entering firm must enter one or more Limit Orders, as necessary, routed as ISOs to execute against the full displayed size of protected bids and offers on away markets. Because Floor brokers do not have the ability to route ISOs to protected bids and offers on other market centers, Floor brokers do not have ISO functionality at the Exchange. The Exchange therefore proposes to amend Rule 70(a)(i) to clarify that e-Quotes would not be available for ISOs.

Similar to Floor brokers, while on the Trading Floor, DMMs do not have the ability to route orders to other market centers and therefore have not needed ISOs. However, recent amendments to Rule 98 – Equities ("Rule 98") have expanded the ability of DMM units to integrate their trading activity with off-Floor trading desks.[22] Because the off-Floor trading desks of a DMM unit can access away markets electronically and therefore route ISOs to away markets, the Exchange will be making system changes to enable DMMs to enter ISOs at the Exchange. DMM units entering ISOs at the Exchange would be subject to the requirements of Rule 600(b)(3) of Regulation NMS,[23] defining ISOs, and Rule 13(e)(3). Although DMMs cannot currently enter ISOs, the Exchange does not propose to state in new Rule 104(b)(vi) that DMMs would not be able to

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[22] See Securities Exchange Act Release No. 72535 (July 3, 2014), 79 FR 39024 (July 9, 2014) (SR-NYSEMKT-2014-22) (Order approving amendments to Rule 98 that, among other things, provide DMM units with greater flexibility in structuring their operations, subject to a principles-based approach to protect against the misuse of material non-public information).

[23] 17 CFR 242.600(b)(3).

enter ISOs. Rather, this proposed rule change is to clarify that DMMs will have ISOs. However, because of the technology changes necessary to make ISOs available for DMM units, the Exchange will announce by Trader Update the implementation date for DMM units to enter ISOs.

Proposed new subsection (f) of Rule 13 would specify the Exchange's other existing order instructions and modifiers, including:

- Do Not Reduce ("DNR") Modifier. Existing rule text governing DNR Orders would be moved to new Rule 13(f)(1) with non-substantive changes to capitalize the terms "Limit Order" and "Stop Order." In addition, the Exchange believes that because DNR instructions would be added to an order, DNR is more appropriately referred to as a modifier rather than as an order type.
- Do Not Increase ("DNI") Modifiers. Existing rule text governing DNI Orders would be moved to new Rule 13(f)(2) with non-substantive changes to capitalize the terms "Limit Order" and "Stop Order." In addition, the Exchange believes that because DNI instructions would be added to an order, DNI is more appropriately referred to as a modifier rather than as an order type.
- Pegging Interest. Existing rule text governing Pegging Interest and related subsections would be moved to new Rule 13(f)(3) with two clarifying changes to the existing rule text. First, because Pegging Interest is currently available for e-Quotes and d-Quotes only, the Exchange proposes to replace the term "can" with the term "must" in new Rule

13(f)(3)(a)(i) to provide that Pegging Interest "must be an e-Quote or d-Quote." Second, the Exchange proposes to delete reference to the term "Primary Pegging Interest," because the Exchange has only one form of pegging interest.[24]

- Retail Modifiers. Existing rule text governing Retail Modifiers and related subsections would be moved to new Rule 13(f)(4) with non-substantive changes to update cross-references.
- Self-Trade Prevention ("STP") Modifier. Existing rule text governing STP Modifiers and related subsections would be moved to new Rule 13(f)(5) with non-substantive changes to capitalize the terms "Limit Orders," "Market Orders," and "Stop Orders" and hyphenate the term "Self-Trade Prevention."

Rules governing STP Modifiers already specify that STP Modifiers are not available for d-Quotes. Because STP Modifiers, as defined in Rule 13, are not available for DMMs, the Exchange proposes a substantive amendment to Rule 13(f)(5)(B) to provide that the STP Modifier would not be available for DMM interest. Exchange systems prevent DMM buy and sell interest from trading, therefore, the Exchange proposes to amend Rule 104(b)(ii) to provide that Exchange systems would prevent incoming DMM interest from trading with resting DMM interest. The proposed rule would further specify which side would be cancelled. In order to promote the display of liquidity, if the incoming DMM interest would trade with

24 See 2014 Pegging Filing, supra n. 6.

resting DMM interest only, the incoming DMM interest would be cancelled. However, in order to provide trading opportunities for resting orders, if the incoming DMM interest would trade with interest other than DMM interest, the resting DMM interest would be cancelled so that the incoming DMM interest could trade with other resting orders.

- Sell “Plus” – Buy “Minus” Instructions. Existing rule text governing Sell “Plus” – Buy “Minus” Orders would be moved to new Rule 13(f)(6) with non-substantive changes to break the rule into subsections, capitalize the terms “Market Order,” “Limit Order,” and “Stop Order,” and replace the references to Display Book with references to Exchange systems. In addition, the Exchange proposes to re-classify this as an order instruction rather than as a separate order.

  Because the Sell “Plus” – Buy “Minus” Instruction is not available to DMMs, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter the Sell “Plus” – Buy “Minus” Instruction.

- Stop Orders. Existing rule text governing Stop Orders would be moved to new Rule 13(f)(7) with non-substantive changes to break the rule into subsections, capitalize the term “Market Order,” and replace references to “Exchange’s automated order routing system” with references to “Exchange systems.”

  Because Stop Orders are not available for DMMs, the Exchange proposes to add to new Rule 104(b)(vi) that DMM units may not enter Stop Orders.

The Exchange proposes to make conforming changes to Rule 501(d)(2) – Equities relating to the list of order types that are not accepted for trading in UTP Securities by: (i) replacing the term “Market or Limit at the Close” with “MOC or LOC”; (ii) replacing the term “At the Opening or At the Opening Only ("OPG")” with “MOO or LOO”; (iii) deleting the GTX Order reference, as an order instruction that the Exchange no longer accepts; and (iv) updating the subsection rule numbering accordingly.

As part of the proposed restructure of Rule 13, the Exchange proposes to move existing rule text in Rule 13 governing the definition of “Routing Broker” to Rule 17(c), without any change to the rule text. The Exchange believes that Rule 17 - Equities is a more logical location for the definition of Routing Broker because Rule 17(c) - Equities governs the operations of Routing Brokers.

In addition, the Exchange proposes to delete existing rule text in Rule 13 governing Not Held Orders and add rule text relating to not held instructions to supplementary material .20 to Rule 13. Supplementary material .20 to Rule 13 reflects obligations that members have in handling customer orders. Because not held instructions are instructions from a customer to a member or member organization regarding the handling of an order, and do not relate to instructions accepted by Exchange systems for execution, the Exchange believes that references to not held instructions are better suited for this existing supplementary material.

Accordingly, the Exchange proposes to amend supplementary material .20 to Rule 13 to add that generally, an instruction that an order is “not held” refers to an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the member or member organization price and time discretion. The Exchange believes that this proposed amendment aligns the definition of "not held" with guidance from the Financial Industry Regulatory Authority, Inc. ("FINRA") and other markets regarding not held instructions.[25] The Exchange notes that the existing Rule 13 text regarding how to mark a Not Held Order , e.g., "not held," "disregard tape," "take time," etc., are outdated references regarding order marking between a customer and a member or member organization. All Exchange members and member organizations that receive customer orders are subject to Order Audit Trail System ("OATS") obligations, consistent with Rule 7400 - Equities Series and FINRA Rule 7400 Series, which require that order-handling instructions be documented in OATS. Among the order-handling instructions that can be captured in OATS is whether an order is not held.[26] The Exchange believes that these OATS-related obligations now govern how a member or member organization records order-handling instructions from a customer and therefore the terms currently set forth in Rule 13 relating to Not Held Orders are no longer necessary.

Proposed Amendments to Rules 70, 72, and 1000

In addition to the amendments to Rules 70 and 104 described above, the Exchange proposes to amend Rule 70(a)(i) to delete the text in the first sentence that provides "at, or outside the Exchange BBO." Because Floor brokers may use e-Quotes to

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25 See FINRA Regulatory Notice 11-29, Answer 3 (June 2011) ("Generally, a 'not held' order is an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the firm price and time discretion."). See also Definition of Market Not Held Order on Nasdaq.com Glossary of Stock Market Terms, available at http://www.nasdaq.com/investing/glossary/m/market-not-held-order.

26 See FINRA OATS Frequently Asked Questions – Technical, at T21 ("An order submitted by a customer who gives the broker discretion as to the price and time of execution is denoted as a "Not Held" order."), available at http://www.finra.org/Industry/Compliance/MarketTransparency/OATS/FAQ/P085542.

enter non-displayed orders priced between the Exchange BBO, e.g., Non-Display Reserve e-Quotes or MPL Orders, the current rule that specifies that e-Quotes may be entered at multiple price points on both sides of the market at or outside the Exchange BBO represents obsolete functionality. Accordingly, the Exchange proposes to delete the phrase so that the rule provides that Floor brokers may enter e-Quotes at multiple price points on both sides of the market, without any restriction as to price. The Exchange also proposes non-substantive amendments to replace the term "Display Book system" with "Exchange systems" in Rules 70(a)(i) and (b)(i).

The Exchange proposes to amend Rule 70.25, which governs d-Quotes, to clarify how d-Quotes function at the open and close. Specifically, Rule 70.25(a)(ii) provides that "[d]iscretionary instructions are active at all times during the trading day and at the opening and closing transaction." The Exchange proposes to clarify this rule text by adding that d-Quotes may include instructions to participate in the opening and closing transaction only, which is current functionality.[27]

The Exchange also proposes to amend Rule 70.25 governing d-Quotes to clarify that certain functionality set forth in the Rule is no longer available. Specifically, Rule 70.25(c)(ii) currently provides that a Floor broker may designate a maximum size of contra-side volume with which it is willing to trade using discretionary pricing

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27 In 2008, the Exchange added functionality for d-Quotes to participate in the open and close. See Securities Exchange Act Release No. 59022 (Nov. 26, 2008), 73 FR 73683 (Dec. 3, 2008) (SR-NYSEALTR-2008-10) (amending equity rules to conform to New York Stock Exchange LLC NMM Pilot rules, including amendments to d-Quotes). This functionality included the ability to designate d-Quotes to participate in an auction only. See Securities Exchange Act Release No. 60887 (Oct. 27, 2009), 74 FR 56889, 56900 at fn. 7 (Nov. 3, 2009) (SR-NYSEAmex-2009-76) (Notice of Filing) ("The Exchange will continue to provide functionality to allow brokers to designate d-Quotes that may participate on the open and on the close.")

instructions. Because this functionality is not available, the Exchange proposes to delete references to the maximum discretionary size parameter from Rules 70.25(c)(ii) and (c)(v). In addition, the Exchange proposes to amend Rule 70.25(c)(iv) to clarify that the circumstances of when the Exchange would consider interest displayed by other market centers at the price at which a d-Quote may trade are not limited to determining when a d-Quote's minimum or maximum size range is met. Accordingly, the Exchange proposes to delete the clause "when determining if the d-Quote's minimum and/or maximum size range is met." The Exchange believes that the proposed changes to Rule 70.25(c) will provide clarity and transparency regarding the existing functionality relating to d-Quotes at the Exchange.

The Exchange proposes to amend Rule 72 – Equities ("Rule 72") to provide greater clarity regarding how non-displayable orders are allocated. Current Rule 72(c)(i) provides that an automatically executing order will trade first with the displayed bid (offer) and if there is insufficient displayed volume to fill the order, will trade next with reserve interest and all reserve interest will trade on parity. The Exchange proposes to amend Rule 72(c)(i) to replace the term "reserve interest" with the term "non-displayable interest" in order to explicitly state in Rule 72 that the allocation rules govern all non-displayable interest, including MPL Orders, and not just reserve interest. The Exchange similarly proposes to amend Rule 72(c)(x) to add MPL orders to the orders identified as being eligible to trade at price points between the Exchange BBO and also delete the phrase "pursuant to Rule 13" after Reserve Orders as a redundant cross reference and replace the term "NYSE" with "Exchange," which are non-substantive changes. These proposed rule changes are consistent with current Rule 13 governing MPL Orders, which provides that MPL Orders are allocated consistent with Rule 72.

The Exchange also proposes to amend Rule 72(c)(i) to change the phrase “the displayed bid (offer)” to “displayable bids (offers)” and change the phrase “displayed volume” to “displayable volume.”[28] This proposed rule change clarifies that displayable interest, such as odd-lot orders, trade before non-displayable interest and governs executions at any price point, including price points where there is no displayed interest, such as executions between the BBO. For example, resting displayable odd-lot orders at price points between the BBO would trade before non-displayable interest, such as reserve interest or MPL Orders, at the same price.

Finally, the Exchange proposes to amend Rule 1000(a) – Equities (“Rule 1000”), which provides that an automatically executing order shall receive an immediate, automatic execution against orders reflected in the Exchange published quotation, orders on the Display Book®, Floor broker agency file interest ("e-Quotes"), Floor broker proprietary file interest ("G-quotes"), DMM interest, and interest placed in the Exchange's systems by DMMs pursuant to a Capital Commitment Schedule in accordance with, and to the extent provided by Exchange rules. The Exchange proposes to add clarity to this rule to provide that the phrase “to the extent provided by Exchange rules” includes Rules 13 - Equities, 60 - Equities, 70 - Equities, 72 - Equities, and 104 - Equities.

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[28] Rule 72(a)(i) provides that as used in Rule 72, the term “displayable” means that portion of interest that could be published as, or as part of, the Exchange BBO. A displayable odd lot order is published as part of the Exchange BBO when, if aggregated with other interest available for execution at that price point, the sum of the odd-lot order and other interest available at that price point would be equal to or greater than a round lot.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the "Act"),[29] in general, and furthers the objectives of Section 6(b)(5),[30] in particular, because it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest. Specifically, the Exchange believes that the proposed restructuring of Rule 13, to group existing order types to align by functionality, would remove impediments to and perfect the mechanism of a free and open market by ensuring that members, regulators, and the public can more easily navigate the Exchange's rulebook and better understand the order types available for trading on the Exchange. In addition, the Exchange believes that the proposed revisions to Rules 13, 70, and 104 and related conforming changes to Rule 501(d)(2) – Equities promote clarity regarding existing functionality that has been approved in prior rule filings, but which may not have been codified in rule text.[31] The Exchange further believes that the proposed changes promote clarity regarding which orders and modifiers are available to different market participants.

Moreover, the Exchange believes that moving rule text defining a Routing Broker to Rule 17 - Equities represents a more logical location for such definition, thereby

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[29] 15 U.S.C. 78f(b).

[30] 15 U.S.C. 78f(b)(5).

[31] See supra nn. 16-20, 24, 27.

making it easier for market participants to navigate Exchange rules. Likewise, the Exchange believes the proposed changes to "Not Held Order," to move it to supplementary material .20 to Rule 13 and revise the rule text to conform with guidance from FINRA and OATS requirements, would remove impediments to and perfect the mechanism of a free and open market and a national market system by applying a uniform definition of not held instructions across multiple markets, thereby reducing the potential for confusion regarding the meaning of not held instructions. The Exchange further believes that providing DMM units with the ability to enter ISOs would remove impediments to and perfect the mechanism of a free and open market and national market system because under Rule 98, DMM units are permitted to be integrated with off-Floor trading units that trade on other markets, and therefore the proposed functionality would enable DMM units to enter ISOs consistent with Regulation NMS.

Finally, the Exchange believes that the proposed changes to Rules 70, 72, 104, and 1000 would remove impediments to and perfect the mechanism of a free and open market and national market system in general because the proposed rule changes assure that the Exchange's rules align with the existing functionality available at the Exchange for e-Quotes, d-Quotes, and DMM interest, and provide clarity how non-displayable interest is allocated and regarding which Exchange rules govern automatic executions.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed change is not designed to address any competitive issue but rather would re-structure Rule 13, make clarifying amendments, and remove rule text that relates to functionality that is no longer operative, thereby reducing confusion and making the Exchange's rules easier to navigate.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the Federal Register or up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEMKT-2015-22 on the subject line.

Paper comments:

- Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEMKT-2015-22. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549-1090. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet website at www.nyse.com. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEMKT-2015-22 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[32]

[32] 17 CFR 200.30-3(a)(12).

Robert W. Errett
Deputy Secretary

Exhibit 4

Additions: Underlined
Deletions: [Bracketed]
Marked Additions: Double-underlined
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Rules of NYSE MKT LLC

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Rule 13 - Equities. Orders and Modifiers

Unless otherwise specified in this Rule, Rule 70 (for Floor brokers), or Rule 104 (for DMMs), orders and modifiers are available for all member organizations.

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(1) Market Order. An order to buy or sell a stated amount of a security at the most advantageous price obtainable after the order is represented in the Trading Crowd or routed to Exchange systems. If a Market Order to sell has exhausted all eligible buy interest, any unfilled balance of the Market Order to sell will be cancelled.

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(b) Time in Force Modifiers

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(2) Good til Cancelled ("GTC") or Open. A Limit Order that remains in effect until it is either executed or cancelled. A GTC order that is designated `Off-Hours eligible' may be executed through the `Off-Hours Trading Facility' (as Rule 900 - Equities (Off-Hours Trading: Applicability and Definitions) defines that term) ~~GTC orders are not eligible to be executed in any Off-Hours Trading Facility (See Rule 900 - Equities (Off-Hours Trading: Applicability and Definitions)~~. GTC orders must not be transmitted to Floor broker hand-held devices or Floor broker systems.

(3) Immediate or Cancel ("IOC").

(A) Regulation NMS-compliant IOC Order: A Market or Limit Order designated IOC that will be automatically executed against the displayed quotation up to its full size and sweep the Exchange's book, as provided in Rule 1000 - Equities, to the extent possible without being routed elsewhere for execution, and the portion not so executed will be immediately and automatically cancelled. A Regulation NMS-compliant IOC order must be designated in the manner provided by the Exchange. If not so designated, the order will be treated as ~~a NYSE IOC order~~ an Exchange IOC Order.

(B) ~~NYSE~~ Exchange IOC Order: A Market or Limit Order designated IOC that will be automatically executed against the displayed quotation up to its full size and sweep the Exchange book, as provided in Rule 1000 - Equities to the extent possible, with portions of the order routed to other markets if necessary in compliance with Regulation NMS and the portion not so executed will be immediately and automatically cancelled.

(C) IOC-MTS Order: Any order with an IOC modifier, including an ISO, may include a minimum trade size ("MTS") instruction. For each incoming IOC-MTS order, Exchange systems will evaluate whether contra-side displayable and non-displayable interest on Exchange systems can meet the MTS and will reject such incoming IOC-MTS order if Exchange contra-side volume cannot meet the MTS. An ~~NYSE IOC order~~ Exchange IOC Order with an MTS may result in an execution in an away market. The Exchange will reject any IOC-MTS orders if the security is not open for trading, or if auto-execution is suspended.

(D) Any IOC order without an MTS may be entered before the Exchange opening for participation in the opening trade. If not executed as part of the opening trade, the order, or part thereof, will be immediately and automatically cancelled.

(E) ~~A NYSE IOC order~~ An Exchange IOC Order without an MTS received during a trading halt will be held for participation in the reopening trade. If not executed as part of the reopening trade, the order, or part thereof, will be immediately and automatically cancelled.

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(d) Orders with Instructions Not to Display All or a Portion of the Order

(1) Mid-Point Passive Liquidity ("MPL") Order

(A) An MPL Order is an undisplayed Limit Order that automatically executes at the mid-point of the protected best bid or offer ("PBBO"). An MPL Order is not eligible for manual executions, openings, re-openings, or closing transactions. An MPL Order will interact with ~~any~~ incoming orders, including another MPL Order, but not an incoming Limit Order designated ALO. An MPL Order will not execute if the market is locked or crossed. When the market unlocks or uncrosses, the Exchange will execute all eligible MPL Orders, excluding MPL-ALO Orders described in paragraph (d)(1)(E), and other hidden interest eligible to execute at the midpoint of the PBBO. An MPL Order may execute at prices out to four decimals. An MPL Order will not be eligible to trade if it would trade at a price below $1.00 or if the execution price would be out to five decimal places above $1.00. MPL Orders are allocated consistent with Rule 72- Equities. The time priority of an MPL Order is based on its time of entry into Exchange systems and does not reset when an MPL Order's price shifts due to changes in the PBBO.

(B) The following interest may not be designated as an MPL Order:

(i) DMM interest entered via the Capital Commitment Schedule pursuant to Rule 1000 - Equities;

(ii) d-Quotes;

(iii) Pegging Interest;

(iv) Interest designated as GTC; or

(v) Retail Orders or Retail Price Improvement Orders, as defined in Rule 107C - Equities.

(C) An MPL Order may include a Minimum Triggering Volume ("MTV") and will not be eligible to trade unless the aggregated contra-side quantity of all interest marketable at the mid-point of the PBBO is equal to or greater than the MPL Order's MTV. There will not be a guaranteed trade size based on the MTV. Exchange systems will enforce an MTV restriction even if the unexecuted portion of an MPL Order with an MTV is less than the MTV.~~ Exchange systems shall reject an MPL Order on entry if the MTV is larger than the size of the order and shall reject a request to partially cancel a resting MPL Order if it would result in the MTV being larger than the size of the order, but shall enforce an MTV restriction if the unexecuted portion of an MPL Order with an MTV is less than the MTV.~~ An MPL Order that includes an MTV will be rejected if it also includes an STP designation.

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(f) Additional Order Instructions and Modifiers:

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(5) Self-Trade Prevention ("STP") Modifier

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(B) Eligible Order Types. The STP modifier is available for Limit Orders, Market Orders, and Stop Orders entered by off-Floor participants, and for e-Quotes, pegging e-Quotes, and g-Quotes sent to the matching engine by an algorithm on behalf of a Floor broker. Exchange systems shall reject all GTC and MTS-IOC orders with an STP modifier. The STP modifier is not available for d-Quotes or DMM interest. STP modifiers will not be active and will be ignored for RPI, Floor broker cross, opening, re-opening, and closing transactions. STP modifiers will not be active for Type 1 designated Retail Orders in all situations and will be ignored. STP modifiers will not be active for Type 2 and Type 3 designated Retail Orders when they first interact with contra-side RPI, however once they enter the Exchange's system to be executed as an Immediate or Cancel Order, normal processing of the STP modifier will occur.

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Market Order

An order to buy or sell a stated amount of a security at the most advantageous price obtainable after the order is represented in the Trading Crowd or routed to the Display Book®. If a market order to sell has exhausted all eligible buy interest, any unfilled balance of the market order to sell will be cancelled.

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Rule 70 - Equities. Execution of Floor Broker Interest

(a) (i) With respect to orders he or she is representing on the Floor, a Floor broker may place within ~~the Display Book®~~ Exchange systems broker agency interest files (also referred to as e-QuotesSM) at multiple price points on both sides of the market ~~at, or outside the Exchange BBO~~ with respect to each security trading in the location(s) comprising the Crowd such Floor broker is a part of with respect to orders he or she is representing on the Floor, except that the agency interest files shall not include unelected ~~s~~Stop ~~o~~Orders, Market Orders, ISOs, GTC Modifiers, DNR Modifiers, or DNI Modifiers.

(ii) The requirement that a Floor broker be in the Crowd in order to have agency interest files does not apply to orders governed by Section 11(a)(1)(G) of the Securities Exchange Act of 1934 (`G' orders, also referred to as G-Quotes, when submitted as a Floor broker agency interest file).

(b)(i) Floor broker agency interest placed within files in [the Display Book®] Exchange systems shall become part of the quotation when it is at or becomes the Exchange BBO and shall be executed in accordance with Rule 72 - Equities. Floor broker agency interest placed within files shall be automatically executed, in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities.

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(f) A Floor broker may enter e-Quotes with reserve interest ("Reserve e-Quotes") with or without a "displayable" portion (as defined in Rule 13(d)(2)(A) - Equities). A Reserve e-Quote entered with a portion of the order displayable must have a minimum of one round lot displayable ("Minimum Display Reserve e-Quote"). Exchange systems shall display and process Reserve e-Quotes consistent with the provisions of Rule 13(d)(2) - Equities ~~governing Reserve Orders~~, subject to the provisions below:

(i) A Minimum Display Reserve e-Quote shall participate in both automatic and manual executions. Information about Minimum Display Reserve e-Quotes, including the reserve portion, is included in the aggregated interest at each price point available to DMMs and shall be made available to the DMM on a disaggregated basis. If a Floor broker chooses to exclude a Minimum Display Reserve e-Quote from the DMM: (A) the entire Minimum Display Reserve e-Quote shall be available to the DMM as part of the aggregated interest at a price point; and (B) none of the Minimum Display Reserve e-Quote shall be available to the DMM on a disaggregated basis.

(ii) A Reserve e-Quote without a displayable portion ("Non-Display Reserve eQuote") shall participate in both automatic and manual executions. Information about Non-Display Reserve e-Quotes shall be included in the aggregated interest at each price point available to DMMs and shall be made available to the DMM on a disaggregated basis. If a Floor broker chooses to exclude a Non-Display Reserve eQuote from the DMM, information about the Non-Display Reserve e-Quote shall not be available to the DMM either as part of the aggregated interest at a price point or in disaggregated form and the excluded Non-Display Reserve e-Quote shall not participate in manual executions.

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• • • ***Supplementary Material:*** ------------------

.25 Discretionary Instructions for Bids and Offers Represented via Floor Broker Agency Interest Files (e-Quotes SM)

(a)(i) A Floor broker may enter discretionary instructions as to size and/or price with respect to his or her e-Quotes (`discretionary e-Quotes' or `d-Quotes'). The discretionary instructions relate to the price at which the d-Quote may trade and the number of shares to which the discretionary price instructions apply.

(ii) Discretionary instructions are active at all times during the trading day and at the opening and closing transactions, and may include instructions to participate in the opening or closing transaction only. Exchange systems will reject any d-Quotes that are entered 10 seconds or less before the scheduled close of trading. Executions of d-Quotes within the discretionary pricing instruction range are considered non-displayable interest for purposes of Rule 72.

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Rule 72 - Equities. Priority of Bids and Offers and Allocation of Executions

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(c)(i) An automatically executing order will trade first with [~~the~~] display[ed]able bids (offers) and if there is insufficient display[~~ed~~]able volume to fill the order, will trade next with [~~reserve~~] non-displayable interest. All [~~reserve~~] non-displayable interest will trade on parity.

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(x) Incoming orders eligible for execution at price points between the Exchange BBO shall trade with all available interest at the price. All ~~NYSE~~ Exchange interest available to participate in the execution (e.g., d-quotes, s-quotes, Reserve Orders [pursuant to Rule 13 – Equities], MPL Orders, and Capital Commitment Schedule interest (see Rule 1000 - Equities)) will trade on parity.

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Rule 104 - Equities. Dealings and Responsibilities of DMMs

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(b) **DMM Unit Algorithms**

(i) DMM units shall have the ability to employ algorithms for quoting and trading consistent with Exchange and SEC regulations.

(ii) Exchange systems shall enforce the proper sequencing of incoming orders and algorithmically-generated messages and will prevent incoming DMM interest from trading with resting DMM interest. If the incoming DMM interest would trade with resting DMM interest only, the incoming DMM interest will be cancelled. If the incoming DMM interest would trade with interest other than DMM interest, the resting DMM interest will be cancelled.

(iii) Except as provided for in paragraphs (a)(2) and (a)(3) of this Rule, the DMM unit's system employing algorithms will have access to information with respect to orders entered on the Exchange, Floor Broker agency interest files or reserve interest, to the extent such information is made publicly available. DMM unit algorithms will receive the same information with respect to orders entered on the Exchange, Floor Broker agency interest files or reserve interest as is disseminated to the public by the Exchange and shall receive such information no sooner than it is available to other market participants.

(iv) The DMM unit's algorithm may place within Exchange systems trading interest to be known as a "Capital Commitment Schedule". (See Rule 1000 - Equities concerning the operation of the Capital Commitment Schedule.)

(v) All DMM unit trades via an algorithm must comply with all SEC and Exchange rules, policies and procedures governing DMM unit trading.

(vi) DMM units may not enter the following orders and modifiers: Market Orders, GTC Modifiers, MOO Orders, CO Orders, MOC Orders, LOC Orders, DNR Modifiers, DNI Modifiers, Sell "Plus" – Buy "Minus" Instructions, or Stop Orders.

(c) A DMM unit may maintain reserve interest consistent with Exchange rules governing Reserve Orders. Such reserve interest is eligible for execution in manual transactions.

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Rule 501 - Equities. Definitions

For the purposes of Rules 500 - 525 - Equities, the following terms shall have the meanings specified below. All other terms shall have the meanings assigned to them in the Equities Rules.

(a) The term "Closing Price" shall mean the price of the last transaction in a UTP Security on the Exchange reported to the Consolidated Tape that occurs at or prior to close of the regular trading session. In the event that the market for a particular UTP Security is manual or "slow" at or just prior to the close of trading (e.g. ~~due to the publication of a gap quote;~~ when a trading pause exists pursuant to the LULD Pilot Program~~; or when a Liquidity Replenishment Point has been reached~~), the term "Closing Price" shall mean the price of a single trade at or immediately after the close of the regular trading session.

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Rule 1000 - Equities. Automatic Execution of Limit Orders Against Orders Reflected in Exchange Published Quotation

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(a) An automatically executing order shall receive an immediate, automatic execution against orders reflected in the Exchange published quotation, orders on the Display Book®, Floor broker agency file interest ("e-Quotes"), Floor broker proprietary file interest ("G-quotes"), DMM interest, and interest placed in the Exchange's systems by DMMs pursuant to a Capital Commitment Schedule in accordance with, and to the extent provided by Exchange rules, including Rules 13 – Equities, 60 – Equities, 70 – Equities, 72 – Equities, and 104 – Equities, and shall be immediately reported as Exchange transactions, unless:

(i) trading in the subject security has been halted; or

(ii) a block-size transaction as defined in Rule 127.10 **-** Equities that involves orders on the Display Book® is being reported manually; Automatic executions will resume when manual reporting is concluded.

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Exhibit 5

Additions: Underlined
Deletions: [Bracketed]

Rules of NYSE MKT LLC

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Rule 13 - Equities. Orders and Modifiers

Unless otherwise specified in this Rule, Rule 70 (for Floor brokers), or Rule 104 (for DMMs), orders and modifiers are available for all member organizations.

(a) Primary Order Types. All orders entered electronically at the Exchange are eligible for automatic execution consistent with the terms of the order and Rules 1000 – 1004 - Equities. Interest represented manually by a Floor broker is not eligible for automatic execution.

(1) Market Order. An order to buy or sell a stated amount of a security at the most advantageous price obtainable after the order is represented in the Trading Crowd or routed to Exchange systems. If a Market Order to sell has exhausted all eligible buy interest, any unfilled balance of the Market Order to sell will be cancelled.

(2) Limit Order. An order to buy or sell a stated amount of a security at a specified price or better. A marketable Limit Order is a Limit Order to buy (sell) at or above (below) the Exchange best offer (bid) for the security.

(b) Time in Force Modifiers

(1) Day. A Limit Order that, if not executed, expires at the end of the 9:30 a.m. to 4:00 p.m. trading session on the day on which it was entered.

(2) Good til Cancelled ("GTC") or Open. A Limit Order that remains in effect until it is either executed or cancelled. A GTC order that is designated `Off-Hours eligible' may be executed through the `Off-Hours Trading Facility' (as Rule 900 - Equities (Off-Hours Trading: Applicability and Definitions) defines that term). GTC orders must not be transmitted to Floor broker hand-held devices or Floor broker systems.

(3) Immediate or Cancel ("IOC").

(A) Regulation NMS-compliant IOC Order: A Market or Limit Order designated IOC that will be automatically executed against the displayed quotation up to its full size and sweep the Exchange's book, as provided in Rule 1000 - Equities, to the extent possible without being routed elsewhere for execution, and the portion not so executed will be immediately and automatically cancelled. A Regulation NMS-compliant IOC order must be designated in the manner provided by the Exchange. If not so designated, the order will be treated as an Exchange IOC Order.

(B) Exchange IOC Order: A Market or Limit Order designated IOC that will be automatically executed against the displayed quotation up to its full size and sweep the Exchange book, as provided in Rule 1000 - Equities to the extent possible, with portions of the order routed to other markets if necessary in compliance with Regulation NMS and the portion not so executed will be immediately and automatically cancelled.

(C) IOC-MTS Order: Any order with an IOC modifier, including an ISO, may include a minimum trade size ("MTS") instruction. For each incoming IOC-MTS order, Exchange systems will evaluate whether contra-side displayable and non-displayable interest on Exchange systems can meet the MTS and will reject such incoming IOC-MTS order if Exchange contra-side volume cannot meet the MTS. An Exchange IOC order with an MTS may result in an execution in an away market. The Exchange will reject any IOC-MTS orders if the security is not open for trading, or if auto-execution is suspended.

(D) Any IOC order without an MTS may be entered before the Exchange opening for participation in the opening trade. If not executed as part of the opening trade, the order, or part thereof, will be immediately and automatically cancelled.

(E) An Exchange IOC Order without an MTS received during a trading halt will be held for participation in the reopening trade. If not executed as part of the reopening trade, the order, or part thereof, will be immediately and automatically cancelled.

(c) Auction-Only Orders

(1) Closing Offset (“CO”) Order. A day Limit Order to buy or sell as part of the closing transaction where the eligibility to participate in the closing transaction is contingent upon: (i) an imbalance in the security on the opposite side of the market from the CO Order; (ii) after taking into account all other types of interest eligible for execution at the closing price, there is still an imbalance in the security on the opposite side of the market from the CO Order; and (iii) the limit price of the CO Order being at or within the price of the closing transaction. CO Orders eligible to participate in the closing transaction are executed in time priority of receipt by Exchange systems, up to the size of the imbalance in the security, on the opposite side of the market from the CO Order. Any eligible CO Orders not executed due to trading halt (as defined in Rule 123D - Equities) or insufficient volume of the contra side imbalance will be cancelled.

(2) Limit-on-Close ("LOC") Orders. An LOC Order is a Limit Order in a security that is entered for execution at the closing price of the security on the Exchange provided that the closing price is at or within the specified limit. If not executed due to a trading halt or because, by its terms it is not marketable at the closing price, the order will be cancelled.

(3) Limit-on-Open ("LOO") Orders. A LOO Order is a Limit Order in a security that is to be executed on the opening or reopening trade of the security on the Exchange. A LOO Order, or part thereof, will be immediately and automatically cancelled if by its terms it is not marketable at the opening price, it is not executed on the opening trade of the security on the Exchange, or if the security opens on a quote. LOO Orders can be entered before the open to participate on the opening trade or during a trading halt or pause to participate on a reopening trade.

(4) Market-on-Close ("MOC") Orders. An MOC Order is a Market Order in a security that, by its terms, is to be executed in its entirety at the closing price. If not executed due to tick restrictions or a trading halt the order will be cancelled.

(5) Market-on-Open ("MOO") Orders. A MOO Order is a Market Order in a security that is to be executed in its entirety on the opening or reopening trade of the security on the Exchange. A MOO Order will be immediately and automatically cancelled if the security opens on a quote or if it is not executed due to tick restrictions. MOO Orders can be entered before the open to participate on the opening trade or during a trading halt or pause to participate on a reopening trade.

(d) Orders with Instructions Not to Display All or a Portion of the Order

(1) Mid-Point Passive Liquidity ("MPL") Order

(A) An MPL Order is an undisplayed Limit Order that automatically executes at the mid-point of the protected best bid or offer ("PBBO"). An MPL Order is not eligible for manual executions, openings, re-openings, or closing transactions. An MPL Order will interact with incoming orders, including another MPL Order, but not an incoming Limit Order designated ALO. An MPL Order will not execute if the market is locked or crossed. When the market unlocks or uncrosses, the Exchange will execute all eligible MPL Orders, excluding MPL-ALO Orders described in paragraph (d)(1)(E), and other hidden interest eligible to execute at the midpoint of the PBBO. An MPL Order may execute at prices out to four decimals. An MPL Order will not be eligible to trade if it would trade at a price below $1.00 or if the execution price would be out to five decimal places above $1.00. MPL Orders are allocated consistent with Rule 72- Equities. The time priority of an MPL Order is based on its time of entry into Exchange systems and does not reset when an MPL Order's price shifts due to changes in the PBBO.

(B) The following interest may not be designated as an MPL Order:

(i) DMM interest entered via the Capital Commitment Schedule pursuant to Rule 1000 - Equities;

(ii) d-Quotes;

(iii) Pegging Interest;

(iv) Interest designated as GTC; or

(v) Retail Orders or Retail Price Improvement Orders, as defined in Rule 107C - Equities.

(C) An MPL Order may include a Minimum Triggering Volume ("MTV") and will not be eligible to trade unless the aggregated contra-side quantity of all interest marketable at the mid-point of the PBBO is equal to or greater than the MPL Order's MTV. There will not be a guaranteed trade size based on the MTV. Exchange systems will enforce an MTV restriction even if the unexecuted portion of an MPL Order with an MTV is less than the MTV. An MPL Order that includes an MTV will be rejected if it also includes an STP designation.

(D) An MPL Order with an STP Modifier will never execute against either another MPL Order or non-MPL Order with an STP Modifier with the same MPID. Exchange systems will cancel an MPL Order with an STP Modifier based only on another MPL Order with an STP modifier with the same MPID. If an MPL Order with an STP Modifier would participate in an execution with a non-MPL Order with an STP Modifier with the same MPID, the MPL Order will be deemed ineligible and will not be elected to participate in the trade.

(E) An MPL Order with an ALO Modifier ("MPL-ALO Order") will not execute on arrival even if marketable, except a non-marketable MPL-ALO Order may trigger a d-Quote. An MPL-ALO Order will remain non-displayed until triggered to trade by arriving marketable interest. If triggered to trade, an MPL-ALO Order will be eligible to trade with both arriving and resting contra-side interest, but will not trade with a contra-side MPL-ALO Order. If an MPL-ALO Order trades with resting interest, the MPL-ALO Order will be considered the liquidity providing order. A resting MPL-ALO Order is not eligible to trade when same-side arriving interest triggers a trade with contra-side interest. An MPL-ALO Order must be at least one round lot.

(2) Reserve Orders

(A) As used in this rule, the term "displayable" shall mean that portion of a non-marketable Reserve Order that would be published as, or as part of, the Exchange BBO. The term "displayed interest" includes that part of a Reserve Order that is published as, or as part of, the Exchange BBO.

(B) The term "Reserve Order" shall mean a Limit Order entered into Exchange systems that may contain displayable and non-displayable interest.

(C) Minimum Display Reserve Order. A "Minimum Display Reserve Order" is a Limit Order that shall have a portion of the interest displayed when the order is or becomes the Exchange BBO and a portion of the interest (reserve interest) that is not displayed. When executions of the displayed interest reduce that portion below the interest designated to be displayed, the reserve interest will replenish the displayed interest. A Minimum Display Reserve Order must have a minimum of one round lot displayable. Each time a Minimum Display Reserve Order is replenished from reserve interest, a new time-stamp is created for the replenished portion of that Minimum Display Reserve Order, while the reserve interest retains the time-stamp of its original entry. The portion of the interest displayed when the order is or becomes the Exchange BBO is included in the information available for dissemination by the DMM. A Minimum Display Reserve Order shall participate in both automatic and manual executions.

(D) Non-Displayed Reserve Order. A "Non-Displayed Reserve Order" is a Limit Order that is not displayed, but remains available for potential execution against all incoming automatically executing orders until executed in full or cancelled. A Non-Displayed Reserve Order shall not participate in manual executions.

(E) The reserve interest of a Reserve Order is available for execution only after all displayable interest at that price point has been executed. If an execution takes place at a price that is other than the Exchange BBO, all available reserve interest of a Reserve Order will trade on parity with other reserve interest at that price point after all displayable interest has been executed in accordance with Rule 72 - Equities. For executions that take place at a price point other than the Exchange BBO, reserve interest will not replenish the displayable portion of a Minimum Display Reserve Order.

(e) Orders with Instructions Not to Route

(1) Add Liquidity Only ("ALO") Modifier

(A) An order designated ALO does not route and will not remove liquidity from the Exchange's book. ALO modifiers are available for day Limit Orders and MPL Orders. MPL Orders designated ALO are governed by paragraph (d)(1)(E) of this Rule. Limit Orders designated ALO may participate in openings, re-openings, or closings, but the ALO designation shall be ignored. Upon entry, Limit Orders designated ALO must have a minimum of one displayable round lot.

(B) If, at the time of entry, a Limit Order designated ALO is marketable against Exchange interest or would lock or cross a protected quotation in violation of Rule 610(d) of Regulation NMS, the order shall be re-priced and displayed one minimum price variation, as defined in supplementary material .10 to Rule 62 -

Equities, below the best-priced sell interest (for bids) or above the best-priced buy interest (for offers). If the best-priced sell interest is re-priced higher, an order to buy designated ALO shall be re-priced and re-displayed higher, up to its limit price. If the best-priced buy interest is re-priced lower, an order to sell designated ALO shall be re-priced and re-displayed lower, down to its limit price. A limit order designated ALO shall not be re-priced if it is displayed at its limit price or if the best-priced sell interest is re-priced lower (for bids) or if the best-priced buy interest is re-priced higher (for offers). A Limit Order designated ALO shall receive a new time stamp each time it is re-priced and re-displayed.

(C) The following interest may not be designated ALO:

(i) DMM interest entered via the Capital Commitment Schedule;

(ii) d-Quotes;

(iii) Sell "Plus" - Buy "Minus" Orders;

(iv) Non-Display Reserve Orders or Non-Display Reserve e-Quotes; or

(v) Retail Orders or Retail Price Improvement Orders.

(D) A Limit Order designated ALO shall not trigger a contra-side MPL Order to trade.

(2) Do Not Ship ("DNS") Order. A Limit Order to buy or sell that is to be quoted and/or executed in whole or in part on the Exchange. An order so marked, or part thereof, will be immediately and automatically cancelled if compliance with Exchange rules or federal securities laws requires that all or part of such order be routed to another market center for execution. If quoting a DNS order will cause the locking or crossing of another market center in violation of Rule 19 - Equities (Locking or Crossing Protected Quotations in NMS Stocks), the DNS order will be immediately and automatically cancelled. When a DNS order is not eligible to be traded, the order will be placed on Exchange systems at its limit price.

(3) Intermarket Sweep Order (“ISO”)

(A) An ISO is a Limit Order designated for automatic execution in a particular security that is never routed to an away market, may trade through a protected bid or offer, and will not be rejected or cancelled if it would lock, cross, or be marketable against an away market provided that it meets the following requirements:

(i) It is identified as an ISO in the manner prescribed by the Exchange; and

(ii) Simultaneously with the routing of an ISO to the Exchange, one or more additional Limit Orders, as necessary, are routed to execute against the full displayed size of any protected bid (as defined in (e)(3)(D), below) in the case of a limit order to sell, or the full displayed size of any protected offer (as defined in (e)(3)(D), below) in the case of a Limit Order to buy. These additional routed orders must be identified as ISOs.

(B) An ISO designated IOC ("IOC ISO") will be immediately and automatically executed against the displayed bid (offer) up to its full size in accordance with and to the extent provided by Exchange Rules 1000 – 1004 - Equities and will then sweep the Exchange's book as provided in Rule 1000(d)(iii) - Equities, and the portion not so executed will be immediately and automatically cancelled.

(C) An ISO designated day ("Day ISO"), if marketable upon arrival, will be immediately and automatically executed against the displayed bid (offer) up to its full size in accordance with and to the extent provided by Exchange Rules 1000 – 1004 - Equities and will then sweep the Exchange's book as provided in Rule 1000(d)(iii) - Equities. Any unexecuted portion of a Day ISO shall be posted to the Exchange's book at its limit price and may lock or cross a protected quotation that was displayed at the time of arrival of the Day ISO. Upon entry, a Day ISO must have a minimum of one displayable round lot and may be designated ALO.

(i) If after posting to the Book, a Day ISO would lock or cross a protected quotation in violation of Rule 610(d) of Regulation NMS, the Exchange shall re-price and re-display the Day ISO consistent with paragraph (e)(1)(B) in this Rule.

(ii) A Day ISO designated ALO that is marketable upon arrival against Exchange interest shall be re-priced and displayed one minimum price variation, as defined in supplementary material .10 to Rule 62 - Equities, below the Exchange's best-priced non- MPL Order sell interest (for bids) or above the Exchange's best-priced non-MPL Order buy interest (for offers). After being displayed on the Exchange's book, a Day ISO designated ALO shall be re-priced and re-displayed consistent with paragraph (e)(1)(B) in this Rule.

(D) A "protected bid or offer," as defined in Section 242.600(b)(57) of Regulation NMS, means a quotation in a Regulation NMS stock that:

(i) is displayed by an automated trading center, as defined in Section 242.600 (b)(4) of Regulation NMS;

(ii) is disseminated pursuant to an effective national market system plan, as defined in Section 242.600(b)(43) of Regulation NMS; and

(iii) is an automated quotation, as defined in Section 242.600(b)(3) of Regulation NMS, that is the best bid or offer of another market center, as defined in Section 242.600(b)(38).

(E) Sell "Plus" - Buy "Minus" Orders, Non-Display Reserve Orders, and Non-Display Reserve e-Quotes may not be entered as an IOC ISO or Day ISO.

(f) Additional Order Instructions and Modifiers:

(1) Do Not Reduce ("DNR") Modifier. A Limit Order to buy or a Stop Order to sell that is not to be reduced by the amount of an ordinary cash dividend on the ex-dividend date. A DNR Modifier applies only to ordinary cash dividends; it should be reduced for other distributions such as when a stock goes "ex" a stock dividend or ex rights.

(2) Do Not Increase ("DNI") Modifier. A Limit Order to buy or a Stop Order to sell that is not to be increased in shares on the ex-date as a result of a stock dividend or stock distribution.

(3) Pegging Interest

(A) "Pegging interest" means displayable or non-displayable interest to buy or sell at a price set to track the best protected bid ("PBB") or the best protected offer ("PBO") (collectively, the "PBBO") as the PBBO changes and:

(i) must be an e-Quote or d-Quote, provided that:

(a) such interest does not include a sell "plus" or buy "minus" instruction;

(b) Exchange systems shall reject a pegging e-Quote or d-Quote that is entered 10 seconds or less before the scheduled close of trading; and

(c) discretionary instructions associated with a pegging d-Quote shall move as the d-Quote pegs to the PBBO, subject to any price range and limit price that may be specified;

(ii) shall peg only when auto-quoting is active;

(iii) shall peg only to prices based on:

(a) a protected bid or offer, which may be available on the Exchange or an away market, or

(b) interest that establishes a price on the Exchange; and

(iv) shall peg only within the specified price range of the pegging interest.

(a) If the PBBO is not within the specified price range, the pegging interest shall instead peg to the next available best-priced displayable interest that is within the specified price range.

(b) Buy (sell) pegging interest that has reached its specified price range shall remain at that price if the PBBO goes beyond such price range. If the PBBO returns to a price within the specified price range, the pegging interest shall resume pegging.

(B) Pegging interest to buy (sell) that pegs to the PBB (PBO) and:

(i) shall not peg to a price that is locking or crossing the Exchange best offer (bid), but instead shall peg to the next available best-priced displayable interest that would not lock or cross the Exchange best offer (bid);

(ii) shall not establish or sustain a PBB (PBO) as a result of pegging;

(iii) may establish an Exchange best bid (offer);

(iv) may be designated with a minimum size of same-side volume to which such pegging interest shall peg. If the PBBO cannot meet the minimum size designation, the pegging interest will peg to the next available best-priced displayable interest without regard to size; and

(v) if it includes ALO Modifier instructions, shall not peg to a price that would result in it executing before displaying and shall instead peg one minimum price variation below (above) the undisplayed Exchange sell (buy) interest against which it would have otherwise executed.

(4) Retail Modifier

(A) An order designated with a "retail" modifier is an agency order or a riskless principal order that meets the criteria of FINRA Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a member organization, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. An order with a "retail" modifier is separate and distinct from a "Retail Order" under Rule 107C - Equities.

(B) "Retail" modifier designation. A member organization shall designate an order as "retail" in a form and/or manner prescribed by the Exchange.

(C) To submit a "retail" order, a member organization must submit an attestation, in a form prescribed by the Exchange, that substantially all orders submitted as "retail" will qualify as such under paragraph (f)(4)(A) above.

(D) A member organization must have written policies and procedures reasonably designed to assure that it will only designate orders as "retail" if all requirements of paragraph (f)(4)(A) above are met. Such written policies and procedures must require the member organization to (i) exercise due diligence before entering a "retail" order to assure that entry as a "retail" order is in compliance with the requirements of paragraph (f)(4)(A) above, and (ii) monitor whether orders entered as "retail" orders meet the applicable requirements. If a member organization represents "retail" orders from another broker-dealer customer, the member organization's supervisory procedures must be reasonably designed to assure that the orders it receives from such broker-dealer customer that it designates as "retail" orders meet the definition of a "retail" order in paragraph (f)(4)(A) above. The member organization must (i) obtain an annual written representation, in a form acceptable to the Exchange, from each broker-dealer customer that sends it orders to be designated as "retail" orders that entry of such orders as "retail" orders will be in compliance with the requirements of paragraph (f)(4)(A) above; and (ii) monitor whether its broker-dealer customer's "retail" order flow meets the applicable requirements.

(E) Failure to Abide by Requirements.

(i) If a member organization designates orders submitted to the Exchange as "retail" orders and the Exchange determines, in its sole discretion, that such orders fail to meet any of the requirements set forth in paragraph (f)(4)(A) – (D) above, the Exchange may disqualify a member organization from submitting "retail" orders.

(ii) Disqualification Determinations. The Exchange shall determine if and when a member organization is disqualified from submitting "retail" orders. When disqualification determinations are made, the Exchange shall provide a written disqualification notice to the member organization.

(iii) Appeal and/or Resubmission of Attestation. A member organization that is disqualified under this paragraph (f)(4)(E) may: (A) appeal such disqualification as provided in paragraph (f)(4)(F) below; and/or (B) resubmit the attestation described in paragraph (f)(4)(C) above 90 days after the date of the disqualification notice from the Exchange.

(F) Appeal of Disqualification.

(i) If a member organization disputes the Exchange's decision to disqualify it from submitting "retail" orders, the member organization may request, within five business days after notice of the decision is issued by the Exchange, that the "retail" order "Hearing Panel" review the decision to determine if it was correct.

(ii) The Hearing Panel shall consist of the NYSE's Chief Regulatory Officer ("CRO"), or a designee of the CRO, and two officers of the Exchange designated by the Chief Executive Officer of ICE Group.

(iii) The Hearing Panel shall review the facts and render a decision within the time frame prescribed by the Exchange.

(iv) The Hearing Panel may overturn or modify an action taken by the Exchange under this Rule. A determination by the Hearing Panel shall constitute final action by the Exchange.

(5) Self-Trade Prevention ("STP") Modifier

(A) An incoming order designated with an STP modifier will be prevented from executing against a resting opposite-side order also designated with an STP modifier with the same market participant identifier ("MPID"). The STP modifier on the incoming order controls the interaction between two orders marked with STP modifiers. An incoming order with an STP modifier will execute against all available opposite-side interest in Exchange systems, displayed or non-displayed, pursuant to Rule 72 - Equities, and will be evaluated for cancellation by Exchange systems only to the extent that it would execute against opposite-side interest with an STP modifier with the same MPID. For the purposes of this Rule, "incoming order" means: (i) orders that have arrived at the Exchange, including those orders that have been routed to an away market and returned to the Exchange unexecuted; and (ii) orders that are repriced due to the operation of Limit Up/Limit Down price bands or Short Sale Restrictions, as well as tick sensitive instructions.

(B) Eligible Order Types. The STP modifier is available for Limit Orders, Market Orders, and Stop Orders entered by off-Floor participants, and for e-Quotes, pegging e-Quotes, and g-Quotes sent to the matching engine by an algorithm on behalf of a Floor broker. Exchange systems shall reject all GTC and MTS-IOC orders with an STP modifier. The STP modifier is not available for d-Quotes or DMM interest. STP modifiers will not be active and will be ignored for RPI, Floor broker cross, opening, re-opening, and closing transactions. STP modifiers will not be active for Type 1 designated Retail Orders in all situations and will be ignored. STP modifiers will not be active for Type 2 and Type 3 designated Retail Orders when they first interact with contra-side RPI, however once they enter the Exchange's system to be executed as an Immediate or Cancel Order, normal processing of the STP modifier will occur.

(C) STP Modifiers.

(i) STP Cancel Newest ("STPN"). An incoming order marked with the STPN modifier will not execute against opposite-side resting interest marked with any of the STP modifiers with the same MPID. After executing against any resting opposite-side interest that does not have an STP modifier with the same MPID, the remaining balance, if any, of the incoming order marked with the STPN modifier will be cancelled back to the originating member organization at the first price point where there is opposite-side interest marked with any of the STP modifiers with the same MPID. The resting interest marked with one of the STP modifiers will remain in Exchange systems.

(ii) STP Cancel Oldest ("STPO"). An incoming order marked with the STPO modifier will not execute against opposite-side resting interest marked with any of the STP modifiers with the same MPID. At each price point where an incoming STPO order is eligible to execute, all resting interest marked with the matching STP modifier will be cancelled back to the originating member organization. The remaining balance, if any, of the incoming order marked with one of the STP modifiers will remain in Exchange systems unless marked as an immediate or cancel order.

(6) Sell "Plus"—Buy "Minus" Instruction

(A) A Market Order to sell "plus" is a Market Order to sell a stated amount of a stock provided that the price to be obtained is not lower than the last sale if the last sale was a "plus" or "zero plus" tick, and is not lower than the last sale plus the minimum fractional change in the stock if the last sale was a "minus" or "zero minus" tick. A Limit Order to sell "plus" would have the additional restriction of stating the lowest price at which it could be executed.

(B) Sell "plus" Limit Orders and sell "plus" orders that are systemically delivered to Exchange systems will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 1000 – 1004 - Equities, consistent with the order's instructions.

(C) A Market Order to buy "minus" is a Market Order to buy a stated amount of a stock provided that the price to be obtained is not higher than the last sale if the last sale was a "minus" or "zero minus" tick, and is not higher than the last sale minus the minimum fractional change in the stock if the last sale was a "plus" or "zero plus" tick. A Limit Order to buy "minus" would have the additional restriction of stating the highest price at which it could be executed.

(D) Buy "minus" Limit Orders and buy "minus" Market Orders that are systemically delivered to Exchange systems will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 1000 – 1004 - Equities, consistent with the order's instructions.

(E) Odd-lot sized transactions shall not be considered the last sale for purposes of executing sell "plus" or buy "minus" orders.

(7) Stop Order.

(A) A Stop Order to buy becomes a Market Order when a transaction in the security occurs at or above the stop price after the order is received into Exchange systems or is manually represented by a Floor broker in the Crowd.

(B) A Stop Order to sell becomes a Market Order when a transaction in the security occurs at or below the stop price after the order is received into the Exchange systems or is manually represented by a Floor broker in the Crowd.

(C) Elected Stop Orders become Market Orders and will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 116.40 - Equities, 123C - Equities and 1000 – 1004 - Equities. Stop Orders that would be elected by the price of the opening transaction on the Exchange will be included in the opening transaction as Market Orders.

(D) Odd-lot size transactions shall not be considered transactions eligible to elect Stop Orders for execution.

[Add Liquidity Only ("ALO") Modifier

(a) An order designated ALO does not route and will not remove liquidity from the Exchange's book. ALO modifiers are available for day limit orders and MPL Orders. MPL Orders designated ALO are governed by paragraph (e) for MPL Orders in this Rule. Limit orders designated ALO may participate in the open or close, but the ALO designation shall be ignored. Upon entry, limit orders designated ALO must have a minimum of one displayable round lot.

(b) If, at the time of entry, a limit order designated ALO is marketable against Exchange interest or would lock or cross a protected quotation in violation of Rule 610(d) of Regulation NMS, the order shall be re-priced and displayed one minimum price variation, as defined in supplementary material to Rule 62 - Equities, below the best-priced sell interest (for bids) or above the best-priced buy interest (for offers). If the best-priced sell interest is re-priced higher, an order to buy designated ALO shall be re-priced and re-displayed higher, up to its limit price. If the best-priced buy interest is re-priced lower, an order to sell designated ALO shall be re-priced and re-displayed lower, down to its limit price. A limit order designated ALO shall not be re-priced if it is displayed at its limit price or if the best-priced sell interest is re-priced lower (for bids) or if the best-priced buy interest is re-priced higher (for offers). A limit order designated ALO shall receive a new time stamp each time it is re-priced and re-displayed.

(c) The following interest may not be designated ALO:

(1) DMM interest entered via the Capital Commitment Schedule;

(2) d-Quotes;

(3) Sell "Plus" - Buy "Minus" Orders;

(4) Non-Display Reserve Orders or Non-Display Reserve e-Quotes; or

(5) Retail Orders or Retail Price Improvement Orders.

(d) A limit order designated ALO shall not trigger a contra-side MPL Order to trade.

Auto Ex Order

(i) An auto ex order is an order in a security, other than a bond traded in the NYSE MKT Bond trading platform, that initiates an automatic execution in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities, immediately upon entry into Exchange systems. The following are auto ex orders:

a) a market order;

b) a limit order to buy (sell) priced at or above (below) the Exchange best offer (bid) at the time such order is routed to the Display Book® (`a marketable limit order');

c) an immediate or cancel order designated for automatic execution;

d) a market or marketable limit sell `plus'- buy `minus,' or short sale order systemically delivered to the Display Book®;

e) an auto ex order that has been cancelled and replaced with an auto ex order; or

f) an intermarket sweep order, as defined in this rule; or

g) an order entered pursuant to Subsection (G) of Section 11(a)(1) of the Securities Exchange Act of 1934 (a "G order").

(ii) Non-auto ex orders participate in automatic executions in accordance with, and to the extent provided by, Exchange Rules.

Closing Offset Order or "CO" Order.

A day limit order to buy or sell as part of the closing transaction where the eligibility to participate in the closing transaction is contingent upon: (i) an imbalance in the security on the opposite side of the market from the CO order; (ii) after taking into account all other types of interest eligible for execution at the closing price, there is still an imbalance in the security on the opposite side of the market from the CO order; and (iii) the limit price of the CO order being at or within the price of the closing transaction. CO orders eligible to participate in the closing transaction are executed in time priority of receipt by Exchange systems, up to the size of the imbalance in the security, on the opposite side of the market from the CO order. Any eligible CO orders not executed due to trading halt (as defined in Rule 123D) or insufficient volume of the contra side imbalance will be cancelled.

Day Order

An order to buy or sell which, if not executed, expires at the end of the 9:30 a.m. to 4:00 p.m. trading session on the day on which it was entered.

Do Not Reduce or `DNR' Order

A limited order to buy or a stop order to sell which is not to be reduced by the amount of an ordinary cash dividend on the ex-dividend date. A do not reduce order applies only to ordinary cash dividends; it should be reduced for other distributions such as when a stock goes `ex' a stock dividend or ex rights.

Do Not Ship or `DNS' Order

A limited price order to buy or sell that is to be quoted and/or executed in whole or in part on the Exchange. An order so marked, or part thereof, will be immediately and automatically cancelled if compliance with Exchange rules or federal securities laws requires that all or part of such order be routed to another market center for execution. If quoting a DNS order will cause the locking or crossing of another market center in violation of Rule 19 - Equities (Locking or Crossing Protected Quotations in NMS Stocks), the DNS order will be immediately and automatically cancelled. When a DNS order is not eligible to be traded, the order will be placed on the Display Book® system at its limit price.

Do Not Increase or `DNI' Order

A limited order to buy or a stop order to sell which is not to be increased in shares on the ex-date as a result of a stock dividend or stock distribution.

Good `til Cancelled Order (GTC) or Open Order

An order to buy or sell which remains in effect until it is either executed or cancelled. A GTC order that is designated `Off-Hours eligible' may be executed through the `Off-Hours Trading Facility' (as Rule 900 - Equities (Off-Hours Trading: Applicability and Definitions) defines that term). GTC orders must not be transmitted to Floor broker hand-held devices or Floor broker systems.

Immediate or Cancel or "IOC" Order

(a) Regulation NMS-compliant IOC Order: A market or limited price order designated immediate or cancel that will be automatically executed against the displayed quotation up to its full size and sweep the Display Book® system, as provided in Rule 1000 - Equities, to the extent possible without being routed elsewhere for execution, and the portion not so executed will be immediately and automatically cancelled. A Regulation NMS-compliant IOC order must be designated in the manner provided by the Exchange. If not so designated, the order will be treated as a NYSE IOC order.

(b) Exchange IOC Order: A market or limited price order designated immediate or cancel that will be automatically executed against the displayed quotation up to its full size and sweep the Display Book® system, as provided in Rule 1000 - Equities to the extent possible, with portions of the order routed to other markets if necessary in compliance with Regulation NMS and the portion not so executed will be immediately and automatically cancelled.

(c) IOC-MTS Order: Any IOC order, including an intermarket sweep order, may include a minimum trade size ("MTS") instruction. For each incoming IOC-MTS order, Exchange systems will evaluate whether contra-side displayable and non-displayable interest on Exchange systems can meet the MTS and will reject such incoming IOC-MTS order if Exchange contra-side volume cannot meet the MTS. An Exchange IOC order with an MTS may result in an execution in an away market. The Exchange will reject any IOC-MTS orders if the security is not open for trading or if auto-execution is suspended.

(d) Any IOC order without an MTS may be entered before the Exchange opening for participation in the opening trade. If not executed as part of the opening trade, the order, or part thereof, will be immediately and automatically cancelled.

(e) An Exchange IOC order without an MTS received during a trading halt will be held for participation in the reopening trade. If not executed as part of the reopening trade, the order, or part thereof, will be immediately and automatically cancelled.

Intermarket Sweep Order (ISO)

(a) An ISO is a limit order designated for automatic execution in a particular security that is never routed to an away market, may trade through a protected bid or offer, and will not be rejected or cancelled if it would lock, cross, or be marketable against an away market provided that it meets the following requirements:

(i) It is identified as an ISO in the manner prescribed by the Exchange; and

(ii) Simultaneously with the routing of an ISO to the Exchange, one or more additional limit orders, as necessary, are routed to execute against the full displayed size of any protected bid (as defined in (c), below) in the case of a limit order to sell, or the full displayed size of any protected offer (as defined in (c), below) in the case of a limit order to buy. These additional routed orders must be identified as ISOs.

(b) An ISO designated IOC ("IOC ISO") will be immediately and automatically executed against the displayed bid (offer) up to its full size in accordance with and to the extent provided by Rules 1000 - Equities-1004 - Equities and will then sweep the Display Book,® as provided in Rule 1000 - Equities(d)(iii), and the portion not so executed will be immediately and automatically cancelled.

(c) An ISO designated day ("Day ISO"), if marketable upon arrival, will be immediately and automatically executed against the displayed bid (offer) up to its full size in accordance with and to the extent provided by Exchange Rules 1000 - Equities- 1004 - Equities and will then sweep the Display Book,® as provided in Rule 1000 - Equities(d)(iii). Any unexecuted portion of a Day ISO shall be posted to the Exchange's book at its limit price and may lock or cross a protected quotation that was displayed at the time of arrival of the Day ISO. Upon entry, a Day ISO must have a minimum of one displayable round lot and may be designated ALO.

(i) If after posting to the Book, a Day ISO would lock or cross a protected quotation in violation of Rule 610(d) of Regulation NMS, the Exchange shall re-price and re-display the Day ISO consistent with paragraph (b) for ALO Modifiers in this Rule.

(ii) A Day ISO designated ALO that is marketable upon arrival against Exchange interest shall be re-priced and displayed one minimum price variation, as defined in supplementary material to Rule 62 - Equities, below the Exchange's best-priced non-MPL Order sell interest (for bids) or above the Exchange's best-priced non-MPL Order buy interest (for offers). After being displayed on the Exchange's book, a Day ISO designated ALO shall be re-priced and re-displayed consistent with paragraph (b) for ALO Modifiers in this Rule.

(d) A ‘protected bid or offer,’ as defined in Section 242.600(b)(57) of Regulation NMS, means a quotation in a Regulation NMS stock that:

(i) is displayed by an automated trading center, as defined in Section 242.600 (b)(4) of Regulation NMS;

(ii) is disseminated pursuant to an effective national market system plan, as defined in Section 242.600(b)(43) of Regulation NMS; and

(iii) is an automated quotation, as defined in Section 242.600(b)(3) of Regulation NMS, that is the best bid or offer of another market center, as defined in Section 242.600(b)(38).

(e) Sell "Plus" - Buy "Minus" Orders, Non-Display Reserve Orders, and Non-Display Reserve e-Quotes may not be entered as an IOC ISO or Day ISO.

Limit, Limited Order or Limited Price Order

A marketable limit order is an order on the Exchange that can be immediately executed; that is, an order to buy priced at or above the Exchange best offer or an order to sell priced at or below the Exchange best bid.

A marketable limit order systemically delivered to the Display Book® is an auto ex order subject to automatic execution in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities.

Limit "At-The-Close" (LOC) Orders.

An LOC order is a limit order in a security that is entered for execution at the closing price of the security on the Exchange provided that the closing price is at or within the specified limit. If not executed due to a trading halt or because, by its terms it is not marketable at the closing price, the order will be cancelled.

Limit "On-the-Open" (LOO) Orders

A LOO order is a limit order in a security that is to be executed on the opening or reopening trade of the security on the Exchange. A LOO order, or part thereof, will be immediately and automatically cancelled if by its terms it is not marketable at the opening price, it is not executed on the opening trade of the security on the Exchange, or if the security opens on a quote. LOO orders can be entered before the open to participate on the opening trade or during a trading halt or pause to participate on a reopening trade.

Market Order

An order to buy or sell a stated amount of a security at the most advantageous price obtainable after the order is represented in the Trading Crowd or routed to the Display Book®. If a market order to sell has exhausted all eligible buy interest, any unfilled balance of the market order to sell will be cancelled.

Market "At-The-Close" (MOC) Orders.

An MOC order is a market order in a security that, by its terms, is to be executed in its entirety at the closing price. If not executed due to tick restrictions or a trading halt the order will be cancelled.

Market "On-the-Open" (MOO) Orders

A MOO order is a market order in a security that is to be executed in its entirety on the opening or reopening trade of the security on the Exchange. A MOO order will be immediately and automatically cancelled if the security opens on a quote or if it is not executed due to tick restrictions. MOO orders can be entered before the open to participate on the opening trade or during a trading halt or pause to participate on a reopening trade.

Mid-Point Passive Liquidity (MPL) Order

(a) An MPL Order is an undisplayed limit order that automatically executes at the mid-point of the protected best bid or offer ("PBBO"). An MPL Order is not eligible for manual executions, including openings, re-openings, or closing transactions. An MPL Order will interact with incoming orders, including another MPL Order, but not an incoming limit order designated ALO. An MPL Order will not execute if the market is locked or crossed. When the market unlocks or uncrosses, the Exchange will execute all eligible MPL Orders, excluding MPL-ALO Orders described in paragraph (e), and other hidden interest eligible to execute at the midpoint of the PBBO. An MPL Order may execute at prices out to four decimals. An MPL Order will not be eligible to trade if it would trade at a price below $1.00 or if the execution price would be out to five decimal places above $1.00. MPL Orders are allocated consistent with Rule 72 - Equities. The time priority of an MPL Order is based on its time of entry into Exchange systems and does not reset when an MPL Order's price shifts due to changes in the PBBO.

(b) The following interest may not be designated as an MPL Order:

(1) DMM interest entered via the Capital Commitment Schedule pursuant to Rule 1000 - Equities;

(2) d-Quotes;

(3) Pegging Interest;

(4) Interest designated as GTC; or

(5) Retail Orders or Retail Price Improvement Orders, as defined in Rule 107C - Equities.

(c) An MPL Order may include a Minimum Triggering Volume ("MTV") and will not be eligible to trade unless the aggregated contra-side quantity of all interest marketable at the mid-point of the PBBO is equal to or greater than the MPL Order's MTV. There will not be a guaranteed trade size based on the MTV. Exchange systems will enforce an MTV restriction even if the unexecuted portion of an MPL Order with an MTV is less than the MTV. An MPL Order that includes an MTV will be rejected if it also includes an STP designation.

(d) An MPL Order with an STP Modifier will never execute against either another MPL Order or non-MPL Order with an STP Modifier with the same MPID. Exchange systems will cancel an MPL Order with an STP Modifier based only on another MPL Order with an STP modifier with the same MPID. If an MPL Order with an STP Modifier would participate in an execution with a non-MPL Order with an STP Modifier with the same MPID, the MPL Order will be deemed ineligible and will not be elected to participate in the trade.

(e) An MPL Order with an Add Liquidity Only ("ALO") Modifier ("MPL-ALO Order") will not execute on arrival even if marketable, except a non-marketable MPL-ALO Order may trigger a discretionary trade. An MPL-ALO Order will remain non-displayed until triggered to trade by arriving marketable interest. If triggered to trade, an MPL-ALO Order will be eligible to trade with both arriving and resting contra-side interest, but will not trade with a contra-side MPL-ALO Order. If an MPL-ALO Order trades with resting interest, the MPL-ALO Order will be considered the liquidity providing order. A resting MPL-ALO Order is not eligible to trade when same-side arriving interest triggers a trade with contra-side interest. An MPL-ALO Order must be at least one round lot.

"Not Held" Order

A `not held' order is a market or limited price order marked `not held', `disregard tape', `take time', `buy or sell on print', or which bears any such qualifying notation.

An order marked `or better' is not a `not held' order.

Pegging Interest

(a) "Pegging interest" means displayable or non-displayable interest to buy or sell at a price set to track the best protected bid ("PBB") or the best protected offer ("PBO") (collectively, the "PBBO") as the PBBO changes and:

(1) can be an e-Quote or d-Quote, provided that:

(A) such interest does not include a sell "plus" or buy "minus" instruction;

(B) Exchange systems shall reject a pegging e-Quote or d-Quote that is entered 10 seconds or less before the scheduled close of trading; and

(C) discretionary instructions associated with a pegging d-Quote shall move as the d-Quote pegs to the PBBO, subject to any price range and limit price that may be specified;

(2) shall peg only when auto-quoting is active;

(3) shall peg only to prices based on:

(A) a protected bid or offer, which may be available on the Exchange or an away market, or

(B) interest that establishes a price on the Exchange; and

(4) shall peg only within the specified price range of the pegging interest.

(A) If the PBBO is not within the specified price range, the pegging interest shall instead peg to the next available best-priced displayable interest that is within the specified price range.

(B) Buy (sell) pegging interest that has reached its specified price range shall remain at that price if the PBBO goes beyond such price range. If the PBBO returns to a price within the specified price range, the pegging interest shall resume pegging.

(b) "Primary Pegging Interest" means pegging interest to buy (sell) that pegs to the PBB (PBO) and:

(1) shall not peg to a price that is locking or crossing the Exchange best offer (bid), but instead shall peg to the next available best-priced displayable interest that would not lock or cross the Exchange best offer (bid);

(2) shall not establish or sustain a PBB (PBO) as a result of pegging;

(3) may establish an Exchange best bid (offer);

(4) may be designated with a minimum size of same-side volume to which such pegging interest shall peg. If the PBBO cannot meet the minimum size designation, the pegging interest will peg to the next available best-priced displayable interest without regard to size; and

(5) if it includes ALO Order instructions, shall not peg to a price that would result in it executing before displaying and shall instead peg one minimum price variation below (above) the undisplayed Exchange sell (buy) interest against which it would have otherwise executed.

Reserve Order Types

(a) As used in this rule, the term "displayable" shall mean that portion of a non-marketable Reserve Order that would be published as, or as part of, the Exchange BBO. The term "displayed interest" includes that part of a Reserve Order that is published as, or as part of, the Exchange BBO.

(b) The term "Reserve Order" shall mean a limit order entered into Exchange systems that may contain displayable and non displayable interest.

(c) Minimum Display Reserve Order

A "Minimum Display Reserve Order" is a limit order that shall have a portion of the interest displayed when the order is or becomes the Exchange BBO and a portion of the interest (reserve interest) that is not displayed. When executions of the displayed interest reduce that portion below the interest designated to be displayed, the reserve interest will replenish the displayed interest. A Minimum Display Reserve Order must have a minimum of one round lot displayable. Each time a Minimum Display Reserve Order is replenished from reserve interest, a new time-stamp is created for the replenished portion of that Minimum Display Reserve Order, while the reserve interest retains the time-stamp of its original entry. The portion of the interest displayed when the order is or becomes the Exchange BBO is included in the information available for dissemination by the DMM.

(d) Non Displayed Reserve Order

A "Non Displayed Reserve Order" is a limit order that is not displayed, but remains available for potential execution against all incoming automatically executing orders until executed in full or cancelled.

(e) The reserve interest of a Non Displayed Reserve Order is available for execution only after all displayable interest at that price point has been executed. If an execution takes place at a price that is other than the Exchange BBO, all available reserve interest of a Reserve Order will trade on parity with other reserve interest at that price point after all displayable interest has been executed in accordance with Rule 72 - Equities. For executions that take place at a price point other than the Exchange BBO, reserve interest will not replenish the displayable portion of a Minimum Display Reserve Order.

Retail Modifier

(a) An order designated with a "retail" modifier is an agency order or a riskless principal order that meets the criteria of FINRA Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a member organization, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology. An order with a "retail" modifier is separate and distinct from a "Retail Order" under Rule 107C - Equities.

(b) "Retail" modifier designation. A member organization shall designate an order as "retail" in a form and/or manner prescribed by the Exchange.

(c) To submit a "retail" order, a member organization must submit an attestation, in a form prescribed by the Exchange, that substantially all orders submitted as "retail" will qualify as such under paragraph (a) above.

(d) A member organization must have written policies and procedures reasonably designed to assure that it will only designate orders as "retail" if all requirements of paragraph (a) above are met. Such written policies and procedures must require the member organization to (i) exercise due diligence before entering a "retail" order to assure that entry as a "retail" order is in compliance with the requirements of paragraph (a) above, and (ii) monitor whether orders entered as "retail" orders meet the applicable requirements. If a member organization represents "retail" orders from another broker-dealer customer, the member organization's supervisory procedures must be reasonably designed to assure that the orders it receives from such broker-dealer customer that it designates as "retail" orders meet the definition of a "retail" order in paragraph (a) above. The member organization must (i) obtain an annual written representation, in a form acceptable to the Exchange, from each broker-dealer customer that sends it orders to be designated as "retail" orders that entry of such orders as "retail" orders will be in compliance with the requirements of paragraph (a) above; and (ii) monitor whether its broker-dealer customer's "retail" order flow meets the applicable requirements.

(e) Failure to Abide by Requirements.

(1) If a member organization designates orders submitted to the Exchange as "retail" orders and the Exchange determines, in its sole discretion, that such orders fail to meet any of the requirements set forth in paragraph (a) through (d) above, the Exchange may disqualify a member organization from submitting "retail" orders.

(2) Disqualification Determinations. The Exchange shall determine if and when a member organization is disqualified from submitting "retail" orders. When disqualification determinations are made, the Exchange shall provide a written disqualification notice to the member organization.

(3) Appeal and/or Resubmission of Attestation. A member organization that is disqualified under this paragraph (e) may: (A) appeal such disqualification as provided in paragraph (f) below; and/or (B) resubmit the attestation described in paragraph (c) above 90 days after the date of the disqualification notice from the Exchange.

(f) Appeal of Disqualification.

(1) If a member organization disputes the Exchange's decision to disqualify it from submitting "retail" orders, the member organization may request, within five business days after notice of the decision is issued by the Exchange, that the "retail" order "Hearing Panel" review the decision to determine if it was correct.

(2) The Hearing Panel shall consist of the NYSE's Chief Regulatory Officer ("CRO"), or a designee of the CRO, and two officers of the Exchange designated by the Chief Executive Officer of ICE Group.

(3) The Hearing Panel shall review the facts and render a decision within the time frame prescribed by the Exchange.

(4) The Hearing Panel may overturn or modify an action taken by the Exchange under this Rule. A determination by the Hearing Panel shall constitute final action by the Exchange.

Routing Broker

The term `Routing Broker' shall mean the broker-dealer affiliate of the Exchange and/or any other non-affiliate third-party broker-dealer that acts as a facility of the Exchange for routing orders entered into Exchange systems to other market centers for execution whenever such routing is required by Exchange Rules and federal securities laws. The Routing Broker(s) will operate as described in Rule 17 - Equities.

Self Trade Prevention ("STP") Modifier

An incoming order designated with an STP modifier will be prevented from executing against a resting opposite-side order also designated with an STP modifier with the same market participant identifier ("MPID"). The STP modifier on the incoming order controls the interaction between two orders marked with STP modifiers. An incoming order with an STP modifier will execute against all available opposite-side interest in Exchange systems, displayed or non-displayed, pursuant to Rule 72 - Equities, and will be evaluated for cancellation by Exchange systems only to the extent that it would execute against opposite-side interest with an STP modifier with the same MPID. For the purposes of this Rule, "incoming order" means: (i) orders that have arrived at the Exchange, including those orders that have been routed to an away market and returned to the Exchange unexecuted; and (ii) orders that are repriced due to the operation of Limit Up/Limit Down price bands or Short Sale Restrictions, as well as tick sensitive instructions.

(a) Eligible Order Types. The STP modifier is available for limit orders, market orders, and stop orders entered by off-Floor participants, and for e-Quotes, pegging e-Quotes, and g-Quotes sent to the matching engine by an algorithm on behalf of a Floor broker. Exchange systems shall reject all GTC and MTS-IOC orders with an STP modifier. The STP modifier is not available for d-Quotes. STP modifiers will not be active and will be ignored for RPI, Floor broker cross, opening, re-opening, and closing transactions. STP modifiers will not be active for Type 1 designated Retail Orders in all situations and will be ignored. STP modifiers will not be active for Type 2 and Type 3 designated Retail Orders when they first interact with contra-side RPI, however once they enter the Exchange's system to be executed as an Immediate or Cancel Order, normal processing of the STP modifier will occur.

(b) STP Modifiers.

(i) STP Cancel Newest ("STPN"). An incoming order marked with the STPN modifier will not execute against opposite-side resting interest marked with any of the STP modifiers with the same MPID. After executing against any resting opposite-side interest that does not have an STP modifier with the same MPID, the remaining balance, if any, of the incoming order marked with the STPN modifier will be cancelled back to the originating member organization at the first price point where there is opposite-side interest marked with any of the STP modifiers with the same MPID. The resting interest marked with one of the STP modifiers will remain in Exchange systems.

(ii) STP Cancel Oldest ("STPO"). An incoming order marked with the STPO modifier will not execute against opposite-side resting interest marked with any of the STP modifiers with the same MPID. At each price point where an incoming STPO order is eligible to execute, all resting interest marked with the matching STP modifier will be cancelled back to the originating member organization. The remaining balance, if any, of the incoming order marked with one of the STP modifiers will remain in Exchange systems unless marked as an immediate or cancel order.

Sell `Plus'—Buy `Minus' Order

A market order to sell `plus' is a market order to sell a stated amount of a stock provided that the price to be obtained is not lower than the last sale if the last sale was a `plus' or `zero plus' tick, and is not lower than the last sale plus the minimum fractional change in the stock if the last sale was a `minus' or `zero minus' tick. A limited price order to sell `plus' would have the additional restriction of stating the lowest price at which it could be executed.

Sell `plus' limit orders and sell `plus' orders that are systemically delivered to the Display Book® will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities, consistent with the order's instructions.

A market order to buy `minus' is a market order to buy a stated amount of a stock provided that the price to be obtained is not higher than the last sale if the last sale was a `minus' or `zero minus' tick, and is not higher than the last sale minus the minimum fractional change in the stock if the last sale was a `plus' or `zero plus' tick. A limited price order to buy `minus' would have the additional restriction of stating the highest price at which it could be executed.

Buy `minus' limit orders and buy `minus' market orders that are systemically delivered to the Display Book® will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities, consistent with the order's instructions.

Odd-lot sized transactions shall not be considered the last sale for purposes of executing sell "plus" or buy "minus" orders.

Stop Order

A stop order to buy becomes a market order when a transaction in the security occurs at or above the stop price after the order is received into the Exchange's automated order routing system or is manually represented by a Floor broker in the Crowd. A stop order to sell becomes a market order when a transaction in the security occurs at or below the stop price after the order is received into the Exchange's automated order routing system or is manually represented by a Floor broker in the Crowd. Elected stop orders become market orders and will be eligible to be automatically executed in accordance with, and to the extent provided by, Rules 116.40 - Equities, 123C - Equities and 1000 - Equities-1004 - Equities.

Stop orders that would be elected by the price of the opening transaction on the Exchange will be included in the opening transaction as market orders.

Odd-lot size transactions shall not be considered transactions eligible to elect stop orders for execution.]

• • • ***Supplementary Material*** ------------------

.10 For purposes of this Rule, the term "best-priced sell interest" refers to the lowest-priced sell interest against which incoming buy interest would be required to execute with and/or route to, including Exchange displayed offers, Non-Display Reserve Orders, Non-Display Reserve e-Quotes, odd-lot sized sell interest, and protected offers on away markets, but does not include non-displayed sell interest that is priced based on the PBBO and the term "best-priced buy interest" refers to the highest-priced buy interest against which incoming sell interest would be required to execute with and/or route to, including Exchange displayed bids, Non-Display Reserve Orders, Non-Display Reserve e-Quotes, odd-lot sized buy interest, and protected bids on away markets, but does not include non-displayed buy interest that is priced based on the PBBO.

.20 Except as may be otherwise specified in this Rule, all members shall use reasonable diligence in the handling of any order, as defined in this Rule, entrusted to them for execution to obtain the best price or prices for their customer, consistent with the terms of the order. Generally, an instruction that an order is “not held” refers to an unpriced, discretionary order voluntarily categorized as such by the customer and with respect to which the customer has granted the member or member organization price and time discretion.

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Rule 17 - Equities. Use of Exchange Facilities and Vendor Services

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(c) Operation of Routing Broker. The term "Routing Broker" shall mean the broker-dealer affiliate of the Exchange and/or any other non-affiliated third-party broker-dealer that acts as a facility of the Exchange for routing orders entered into Exchange systems to other market centers for execution whenever such routing is required by Exchange Rules and federal securities laws.

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Rule 70 - Equities. Execution of Floor Broker Interest

(a) (i) With respect to orders he or she is representing on the Floor, a Floor broker may place within [the Display Book®] Exchange systems broker agency interest files (also referred to as e-QuotesSM) at multiple price points on both sides of the market [at, or outside the Exchange BBO] with respect to each security trading in the location(s) comprising the Crowd such Floor broker is a part of with respect to orders he or she is representing on the Floor, except that the agency interest files shall not include unelected [s]Stop [o]Orders, Market Orders, ISOs, GTC Modifiers, DNR Modifiers, or DNI Modifiers.

(ii) The requirement that a Floor broker be in the Crowd in order to have agency interest files does not apply to orders governed by Section 11(a)(1)(G) of the Securities Exchange Act of 1934 (`G' orders, also referred to as G-Quotes, when submitted as a Floor broker agency interest file).

(b)(i) Floor broker agency interest placed within files in [the Display Book®] Exchange systems shall become part of the quotation when it is at or becomes the Exchange BBO and shall be executed in accordance with Rule 72 - Equities. Floor broker agency interest placed within files shall be automatically executed, in accordance with, and to the extent provided by, Rules 1000 - Equities-1004 - Equities.

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(f) A Floor broker may enter e-Quotes with reserve interest ("Reserve e-Quotes") with or without a "displayable" portion (as defined in Rule 13(d)(2)(A) - Equities). A Reserve e-Quote entered with a portion of the order displayable must have a minimum of one round lot displayable ("Minimum Display Reserve e-Quote"). Exchange systems shall display and process Reserve e-Quotes consistent with the provisions of Rule 13(d)(2) - Equities [governing Reserve Orders], subject to the provisions below:

(i) A Minimum Display Reserve e-Quote shall participate in both automatic and manual executions. Information about Minimum Display Reserve e-Quotes, including the reserve portion, is included in the aggregated interest at each price point available to DMMs and shall be made available to the DMM on a disaggregated basis. If a Floor broker chooses to exclude a Minimum Display Reserve e-Quote from the DMM: (A) the entire Minimum Display Reserve e-Quote shall be available to the DMM as part of the aggregated interest at a price point; and (B) none of the Minimum Display Reserve e-Quote shall be available to the DMM on a disaggregated basis.

(ii) A Reserve e-Quote without a displayable portion ("Non-Display Reserve eQuote") shall participate in both automatic and manual executions. Information about Non-Display Reserve e-Quotes shall be included in the aggregated interest at each price point available to DMMs and shall be made available to the DMM on a disaggregated basis. If a Floor broker chooses to exclude a Non-Display Reserve eQuote from the DMM, information about the Non-Display Reserve e-Quote shall not be available to the DMM either as part of the aggregated interest at a price point or in disaggregated form and the excluded Non-Display Reserve e-Quote shall not participate in manual executions.

• • • ***Supplementary Material:*** ------------------

.25 Discretionary Instructions for Bids and Offers Represented via Floor Broker Agency Interest Files (e-Quotes ^{SM})

(a)(i) A Floor broker may enter discretionary instructions as to size and/or price with respect to his or her e-Quotes (`discretionary e-Quotes' or `d-Quotes'). The discretionary instructions relate to the price at which the d-Quote may trade and the number of shares to which the discretionary price instructions apply.

(ii) Discretionary instructions are active at all times during the trading day and at the opening and closing transactions, and may include instructions to participate in the opening or closing transaction only. Exchange systems will reject any d-Quotes that are entered 10 seconds or less before the scheduled close of trading. Executions of d-Quotes within the discretionary pricing instruction range are considered non-displayable interest for purposes of Rule 72.

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(c) Discretionary Size

(i) A Floor broker may designate the amount of his or her e-Quote volume to which discretionary price instructions shall apply.

(ii) A Floor broker may designate a minimum [and/or maximum] size of contra-side volume with which it is willing to trade using discretionary price instructions.

(iii) All available contra-side interest at a possible execution price of the d-Quote will be used by Exchange systems to determine whether the size of contra-side volume is within the d-Quote's discretionary size range.

(iv) Interest displayed by other market centers at the price at which a d-Quote may trade will not be considered by Exchange systems [when determining if the d-Quote's minimum and/or maximum size range is met,] unless the Floor broker designates that such away volume should be included in this determination.

(v) An increase or reduction in the size associated with a particular price that brings the contra-side volume within a d-Quote's minimum [or maximum] discretionary size parameter, will trigger an execution of that d-Quote.

(vi) Once the total amount of a Floor broker's discretionary volume has been executed, the d-Quote's discretionary price instructions will become inactive and the remainder of that d-Quote will be treated as an e-Quote.

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Rule 72 - Equities. Priority of Bids and Offers and Allocation of Executions

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Allocation of Executions

(c)(i) An automatically executing order will trade first with [the] display[ed]able bids (offers) and if there is insufficient display[ed]able volume to fill the order, will trade next with [reserve] non-displayable interest. All [reserve] non-displayable interest will trade on parity.

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(x) Incoming orders eligible for execution at price points between the Exchange BBO shall trade with all available interest at the price. All [NYSE] Exchange interest available to participate in the execution (e.g., d-quotes, s-quotes, Reserve Orders [pursuant to Rule 13 – Equities], MPL Orders, and Capital Commitment Schedule interest (see Rule 1000 - Equities)) will trade on parity.

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Rule 104 - Equities. Dealings and Responsibilities of DMMs

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(b) **DMM Unit Algorithms**

(i) DMM units shall have the ability to employ algorithms for quoting and trading consistent with Exchange and SEC regulations.

(ii) Exchange systems shall enforce the proper sequencing of incoming orders and algorithmically-generated messages and will prevent incoming DMM interest from trading with resting DMM interest. If the incoming DMM interest would trade with resting DMM interest only, the incoming DMM interest will be cancelled. If the incoming DMM interest would trade with interest other than DMM interest, the resting DMM interest will be cancelled.

(iii) Except as provided for in paragraphs (a)(2) and (a)(3) of this Rule, the DMM unit's system employing algorithms will have access to information with respect to orders entered on the Exchange, Floor Broker agency interest files or reserve interest, to the extent such information is made publicly available. DMM unit algorithms will receive the same information with respect to orders entered on the Exchange, Floor Broker agency interest files or reserve interest as is disseminated to the public by the Exchange and shall receive such information no sooner than it is available to other market participants.

(iv) The DMM unit's algorithm may place within Exchange systems trading interest to be known as a "Capital Commitment Schedule". (See Rule 1000 - Equities concerning the operation of the Capital Commitment Schedule.)

(v) All DMM unit trades via an algorithm must comply with all SEC and Exchange rules, policies and procedures governing DMM unit trading.

(vi) DMM units may not enter the following orders and modifiers: Market Orders, GTC Modifiers, MOO Orders, CO Orders, MOC Orders, LOC Orders, DNR Modifiers, DNI Modifiers, Sell “Plus” – Buy “Minus” Instructions, or Stop Orders.

(c) A DMM unit may maintain reserve interest consistent with Exchange rules governing Reserve Orders. Such reserve interest is eligible for execution in manual transactions.

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Rule 501 - Equities. Definitions

For the purposes of Rules 500 - 525 - Equities, the following terms shall have the meanings specified below. All other terms shall have the meanings assigned to them in the Equities Rules.

(a) The term "Closing Price" shall mean the price of the last transaction in a UTP Security on the Exchange reported to the Consolidated Tape that occurs at or prior to close of the regular trading session. In the event that the market for a particular UTP Security is manual or "slow" at or just prior to the close of trading (e.g. when a trading pause exists pursuant to the LULD Pilot Program), the term "Closing Price" shall mean the price of a single trade at or immediately after the close of the regular trading session.

(b) The term "UTP Security" shall mean any security, other than a security listed on the Exchange, that

(1) is designated as an "eligible security" pursuant to the UTP Plan, defined in this Rule;

(2) the Exchange has admitted to dealings on the Exchange pursuant to a grant of unlisted trading privileges in accordance with Section 12(f) of the Securities Exchange Act of 1934, as amended; and

(3) if it is an "Exchange Traded Product" ("ETP") does not have any component security that is listed or traded on the Exchange or the NYSE; provided, however,

that the Invesco PowerShares QQQ™ (the "QQQ™") may be admitted to dealings on the Exchange pursuant to a grant of unlisted trading privileges although one or more component securities of the QQQ™ may be listed or traded on the Exchange or the NYSE, subject to the conditions of Rule 504(b)(5) - Equities.

UTP Securities are included within the definition of "security" as that term is defined in Rule 3 - Equities and as used in the Equities Rules.

UTP Securities shall be admitted to dealings on the Exchange on an "issued", "when issued", or "when distributed" basis.

(c) The term "UTP Securities Liaison Committee" shall mean a committee that consists of NYX Holdings employees of the Operations and U.S. Markets Divisions. The Head of the U.S. Markets Division or a designee shall designate the members of the UTP Securities Liaison Committee. A representative of NYSE Regulation Inc. shall act as an ad hoc member of the Committee as needed.

(d) (1) The term "Order" shall mean the order types defined in Rule 13 - Equities, except that the following order types are modified as follows:

(A) Good `til Cancelled ("GTC") Order or Open Order - An order to buy or sell a UTP Security that remains in effect until it is either executed or cancelled. A GTC Order for a UTP Security that is not fully executed at the close of the regular trading session shall be treated as a Day Order and cancelled.

(2) The following order types shall not be accepted for the trading of UTP Securities and the definition of "Order" in Rules 500 - 525 - Equities shall not include these order types:

(A) [Market or Limit At the Close (")MOC["] or ["]LOC[")] Order;

(B) [At the Opening or At the Opening Only ("OPG")] <u>MOO or LOO</u> Order;

(C) Closing Offset ("CO") Order;

[(D) Good `til Cross ("GTX") Order;]

[(E)]<u>(D)</u> Market Order;

[(F)]<u>(E)</u> Stop Order.

(e) The term "UTP Listing Market" shall have the same meaning as the term "Listing Market", as defined under the UTP Plan.

(f) With respect to Nasdaq-listed UTP Securities, the term "UTP Plan" shall mean the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-listed Securities Traded on Exchanges on an Unlisted Trading Privilege Basis, as amended from time to time, filed with and approved by the Commission. With respect to all other UTP Securities, the term "UTP Plan" shall mean the Consolidated Tape Association Plan for the Dissemination of Last Sale Prices of Transactions in Eligible Securities, as amended from time to time, filed with and approved by the Commission.

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Rule 1000 - Equities. Automatic Execution of Limit Orders Against Orders Reflected in Exchange Published Quotation

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(a) An automatically executing order shall receive an immediate, automatic execution against orders reflected in the Exchange published quotation, orders on the Display Book®, Floor broker agency file interest ("e-Quotes"), Floor broker proprietary file interest ("G-quotes"), DMM interest, and interest placed in the Exchange's systems by DMMs pursuant to a Capital Commitment Schedule in accordance with, and to the extent provided by Exchange rules<u>, including Rules 13 – Equities, 60 – Equities, 70 – Equities, 72 – Equities, and 104 – Equities,</u> and shall be immediately reported as Exchange transactions, unless:

(i) trading in the subject security has been halted; or

(ii) a block-size transaction as defined in Rule 127.10 **-** Equities that involves orders on the Display Book® is being reported manually; Automatic executions will resume when manual reporting is concluded.

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