Proposed new language is underlined; proposed deletions are in brackets.

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6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

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6400. QUOTING AND TRADING IN OTC EQUITY SECURITIES

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6430. OTC Equity Quotation Requirements

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6433. Minimum Quotation Size Requirements for OTC Equity Securities

[Every member firm that functions as a market maker in OTC Equity Securities by entering firm] Every member entering quotations in [into the OTC Bulletin Board Service (OTCBB) (or] any [other] inter-dealer quotation system that permits quotation updates on a real-time basis[)] must enter and honor those quotations for at least the minimum size defined in the table below. In this regard, it is the [market maker's] member's responsibility to determine the minimum size requirement applicable to its quotation [firm bid and/or offer in each of its registered securities (excluding OTC Equity Securities for which the OTCBB will not accept firm quotations)]. Depending on the price level of the quotation [bid or offer], a different minimum size can apply to each side of the market being quoted by the member [firm] in a given security.

Price (Bid or Offer)	Minimum Quote Size
[0–.50] 0.0001–0.0199[1]	[5,000] 10,000
[.51–1.00] 0.02–0.2599	[2,500] 1,000
[1.01–10.00] 0.26–0.5099	500
[10.01–100.00] 0.51–0.9999	200

[100.01–200.00] <u>1.00–174.99</u>	100
[200.01–500.00] <u>175.00+</u>	[25] <u>1</u>
[500.01–1000.00]	[10]
[1000.01–2500.00]	[5]
[2500.01 +]	[1]

[¹ The OTCBB can accept bids/offers expressed in fractions as small as 1/256 or in decimals up to six places. In applying the price test for minimum quotation size, any increment beyond an upper limit in the right hand column will trigger application of the minimum quote size for the next tier. For example, a bid (or offer) of $.505 must be firm for a size of 2,500 shares.]

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