

Additions: Underlined  
 Deletions: [Bracketed]

### Rules of New York Stock Exchange LLC

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#### Rule 104. Dealings and Responsibilities of DMMs

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(a) DMMs registered in one or more securities traded on the Exchange must engage in a course of dealings for their own account to assist in the maintenance of a fair and orderly market insofar as reasonably practicable. The responsibilities and duties of a DMM specifically include, but are not limited to, the following:

(1) Assist the Exchange by providing liquidity as needed to provide a reasonable quotation and by maintaining a continuous two-sided quote with a displayed size of at least one round lot.

(A) With respect to maintaining a continuous two-sided quote with reasonable size[, for securities in which the DMM unit is registered, DMM units must maintain a bid or an offer at the National Best Bid and National Best Offer (“inside”) (i) at least 15% of the trading day for securities that are not ETPs [in which the DMM unit is registered] with a consolidated average daily volume of less than one million shares, [and](ii) at least 10% of the trading day for securities that are not ETPs [in which the DMM unit is registered] with a consolidated average daily volume equal to or greater than one million shares, and (iii) at least 25% of the trading day for ETPs. Time at the inside is calculated as the average of the percentage of time the DMM unit has a bid or offer at the inside. In calculating whether a DMM is meeting the [15% and 10%]respective percentage measure, credit will be given for executions for the liquidity provided by the DMM. Reserve or other [hidden]non-displayed orders entered by the DMM will not be included in the inside quote calculations.

(B) *Pricing Obligations.* For NMS stocks (as defined in Rule 600 under Regulation NMS) a DMM shall adhere to the pricing obligations established by this Rule during the trading day; provided, however, that such pricing obligations (i) shall not commence during any trading day until after the first regular way transaction on the primary listing market in the security, as reported by the responsible single plan processor, and (ii) shall be suspended during a trading halt, suspension, or pause, and shall not re-commence until after the first regular way transaction on the primary listing market in the security following such halt, suspension, or pause, as reported by the responsible single plan processor.

- (i) Bid and Offer Quotations. At the time of entry of the DMM's bid (offer) interest, the price of the bid (offer) interest shall be not more than the Designated Percentage away from the then current National Best Bid (Offer), or if no National Best Bid (Offer), not more than the Designated Percentage away from the last reported sale from the responsible single plan processor. In the event that the National Best Bid (Offer) (or if no National Best Bid (Offer), the last reported sale) increases (decreases) to a level that would cause the bid (offer) interest to be more than the Defined Limit away from the National Best Bid (Offer) (or if no National Best Bid (Offer), the last reported sale), or if the bid (offer) is executed or cancelled, the DMM shall enter new bid (offer) interest at a price not more than the Designated Percentage away from the then current National Best Bid (Offer) (or if no National Best Bid (Offer), the last reported sale), or identify to the Exchange current resting interest that satisfies the DMM's obligation according paragraph (1)(A), above.
- (ii) The National Best Bid and Offer shall be determined by the Exchange in accordance with its procedures for determining protected quotations under Rule 600 under Regulation NMS.
- (iii) For purposes of this Rule, the "Designated Percentage" shall be 8% for Tier 1 NMS Stocks under the Limit Up-Limit Down Plan ("Tier 1 NMS Stocks"), 28% for Tier 2 NMS Stocks under the Limit Up - Limit Down Plan ("Tier 2 NMS Stocks") with a price equal to or greater than \$1.00, and 30% for Tier 2 NMS Stocks with a price lower than \$1.00, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, when Rule 80C is not in effect, the Designated Percentage shall be 20% for Tier 1 NMS Stocks, 28% for Tier 2 NMS Stocks with a price equal to or greater than \$1.00, and 30% for Tier 2 NMS Stocks with a price lower than \$1.00. For purposes of this paragraph, rights and warrants will be considered Tier 2 NMS Stocks.
- (iv) For purposes of this Rule, the "Defined Limit" shall be 9.5% for Tier 1 NMS Stocks, 29.5% for Tier 2 NMS Stocks with a price equal to or greater than \$1.00, and 31.5% for Tier 2 NMS Stocks with a price lower than \$1.00, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, when Rule 80C is not in effect, the Defined Limit shall be 21.5% for Tier 1 NMS Stocks, 29.5% for Tier 2 NMS Stocks with a price equal to or greater than \$1.00, and 31.5% for Tier 2 NMS Stocks with a price lower than \$1.00. For purposes of this paragraph, rights and warrants will be considered Tier 2 NMS Stocks.

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**(f) Functions of DMMs**

- (1) Any member who expects to act as a DMM in any listed [stock] security must be registered as a DMM. See Rule 103 for registration requirements for DMMs.

- (2) The function of a member acting as a DMM on the Floor of the Exchange includes the maintenance, in so far as reasonably practicable, of a fair and orderly market on the Exchange in the [stocks ]securities in which he or she is so acting. The maintenance of a fair and orderly market implies the maintenance of price continuity with reasonable depth, to the extent possible consistent with the ability of participants to use reserve orders, and the minimizing of the effects of temporary disparity between supply and demand. In connection with the maintenance of a fair and orderly market, it is commonly desirable that a member acting as DMM engage to a reasonable degree under existing circumstances in dealings for the DMM's own account when lack of price continuity, lack of depth, or disparity between supply and demand exists or is reasonably to be anticipated.
- (3) The Exchange will supply DMMs with suggested Depth Guidelines for each security in which a DMM is registered. The administration of the Depth Guidelines will be contained in notices periodically issued to all DMMs. In connection with a DMM's responsibility to maintain a fair and orderly market, DMMs will be expected to quote and trade with reference to the Depth Guidelines where necessary.
- (4) DMMs are designated as market maker on the Exchange for all purposes under the Securities Exchange Act of 1934 and the rules and regulations thereunder.
- (5) The requirements Rule 104(f)(2) and (3) will be operative with respect to ETPs upon implementation of the applicable Depth Guidelines by the Exchange, but in any event no later than eighteen weeks after the approval of SR-NYSE-2019-34 by the Securities and Exchange Commission.

**(g) Transactions by DMMs**

- (1) Transactions on the Exchange by a DMM for the DMM's account are to be effected in a reasonable and orderly manner in relation to the condition of the general market and the market in the particular stock.
  - (A) An "Aggressing Transaction" is a DMM unit transaction in a security, other than an ETP, that:
    - (i) is a purchase (sale) that reaches across the market to trade as the contra-side to the Exchange published offer (bid); and
    - (ii) is priced above (below) the last differently-priced trade on the Exchange and above (below) the last differently-priced published offer (bid) on the Exchange.
  - (B) *Prohibited Transactions.* Aggressing Transactions during the last ten minutes prior to the scheduled close of trading that would result in a new high (low) price for a security on the Exchange for the day at the time of the DMM's transaction are prohibited, unless such transaction would match another market's better bid or offer price, bring the price of that security into parity with an underlying or

related security or asset, or would liquidate or decrease the position of the DMM unit.

(2) - (3) No Change

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