

Additions: Underlined

Deletions: [Bracketed]

## Rules of New York Stock Exchange LLC

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### **Rule 122. Orders with More than One Broker**

(a) Except as provided herein, no [member,] member organization [or any allied member therein,] or subsidiary of such organization within the meaning of Rule 321, shall send to, or maintain with, more than one Floor broker, for execution on the Exchange, [market orders or orders at the same price] orders that may execute at the same price for the purchase or sale of the same security with knowledge that such orders are for the account of the same principal.

(b) [However, a] A Floor broker may transmit [manually or from a hand-held terminal] to the Exchange Book[Display Book® system,] a portion of an order, while retaining the balance of the order. In any instance where a Floor broker has so transmitted a portion of an order for execution and retained the balance of such order, the Floor broker may not make a bid (offer) on behalf of the retained balance of the order [in the auction market or via the Floor broker agency interest file,] or execute any part of the retained order [as part of an auction market transaction or automatic execution,] at a price at which the portion of the order transmitted to the Exchange Book[Display Book® system] may also be represented in a bid (offer) or executed until the portion of the order transmitted to the Exchange Book[Display Book® system] has been executed or cancelled.

#### Rule Commentary:

.01 For purposes of this rule, sending to, maintaining with, or using “more than one Floor broker” means more than one Floor broker member organization or two different individual Floor brokers at the same Floor broker member organization.

.02 For purposes of this rule, when a member organization uses more than one Floor broker for its own orders:

(a) Multiple orders originating from the member organization are presumed not to be for the account of the same principal if each order is from a separate trading unit that is separated by information barriers or other barriers that restrict the trading unit from coordinating trading strategies, sharing capital, and sharing profits and losses with other trading units (an “Independent Unit”).

(b) A member organization must have supervisory systems and written policies and procedures reasonably designed to ensure that it is not using more than one Floor broker for orders that are for the account of the same principal.

.03 For purposes of this rule, when a member organization uses more than one Floor broker for orders that it represents on an agency basis:

(a) Multiple orders that the member organization represents on an agency basis from a single customer are presumed not to be for the account of the same principal if the member organization's customer maintains Independent Units and the orders are from Independent Units.

(b) If a member organization represents a customer on an agency basis and uses more than one Floor broker for such customer, the member organization's supervisory systems and written policies and procedures must be reasonably designed to ensure that the orders it receives from the customer are from Independent Units, including that the member organization must:

(1) use reasonable diligence to know and retain the essential facts relating to the operation and supervision of its customer's information barriers or other barriers to ensure there is a prohibition against the coordination of trading strategies and that there is in fact no coordination of trading strategies, and that the orders are from Independent Units;

(2) review and document such reviews that the orders received from its customer originated from Independent Units; and

(3) obtain an annual written representation, in a form acceptable to the Exchange, from each customer that such orders originate from Independent Units.

.04 For purposes of this rule and notwithstanding .02(a) and .03(a) above, there is a presumption that multiple orders are for the account of the same principal (i.e., not from Independent Units) if the trading strategies: are part of the same fund, or run by the same desk, group, employee(s), or portfolio manager(s); or are otherwise overseen or supervised by the same fund, desk, group, employee(s), or portfolio manager(s); or share capital or roll up to the same profit and loss center.