

Additions: Underlined
 Deletions: [Bracketed]

Rules of NYSE Arca Equities, Inc.

Rule 7 Equities Trading

Section 1. General Provisions

Rule 7.16. Short Sales

(f) **Short Sale Price Test Pursuant to Rule 201 of Regulation SHO.** The following provisions will apply to short sales subject to the provisions of Rule 201 of Regulation SHO:

(5) **Re-pricing of Orders during Short Sale Period.** During the Short Sale Period, short sale orders will be handled by Corporation systems as follows:

(A) **Re-pricing of Orders** —Except as provided for in paragraphs (f)(5)(B) – [(J)](D) of this Rule, short sale orders with a working price and/or display price equal to or lower than the NBB will have the working price and/or display price adjusted one minimum price increment above the current NBB ("Permitted Price"). The Permitted Price for securities for which the NBB is \$1 or more is \$.01 above the NBB; the Permitted Price for securities for which the NBB is below \$1 is \$.0001 above the NBB. To reflect declines in the NBB, the Corporation will continue to adjust the working price of a short sale order at the lowest Permitted Price down to the order's original limit price, or if a Market Order, until the order is filled.

(B) [**Reject Option** —ETP Holders may mark individual short sale orders to be rejected on arrival, or cancelled if resting, if required to be adjusted to a Permitted Price while a symbol is subject to the Short Sale Price Test.

(C)] **Priority 1 and Priority 3 Orders** —Market Orders and orders and reserve interest ranked Priority 3- Non-Display Orders will have a working price adjusted to a Permitted Price and will continuously adjust to a Permitted Price as the NBB moves both up and down. Reserve interest that replenishes the displayed quantity of a Reserve Order will be replenished at a Permitted Price.

[(D)](C) ***Pegged Orders and MPL Orders*** —Pegged Orders and MPL Orders, including orders marked buy, sell long and sell short exempt, will use the NBBO instead of the PBBO as the reference price. The working price of MPL Orders will be the mid-point of the NBBO, including situations where the mid-point is less than one minimum price increment above the NBB.

[(E)](D) ***Tracking Orders*** —The working price of Tracking Orders will not be adjusted. Tracking Orders will not be eligible to trade at or below the NBB.

[(F)](E) ***IOC Orders*** —Limit Orders designated IOC requiring that all or part of the order be traded immediately will be traded to the extent possible at a Permitted Price and higher and then cancelled, and the working price will not be adjusted.

[(G)](F) ***ISO*** —ISOs will be rejected if the limit price is at or below the NBB.

[(H)](G) ***Cross Orders*** —Cross Orders with a cross price at or below the NBB will be rejected.

[(I)](H) ***Returned Orders*** —If a Short Sale Price Test is triggered after an order has routed, any returned quantity of the order and the order it joins on the NYSE Arca Book will be adjusted to a Permitted Price. If the order that was routed was a Reserve Order, the returned quantity of the order will first join the reserve interest at a Permitted Price before being evaluated for replenishing the display quantity of the Reserve Order.

[(J)](I) ***Proactive if Locked/Crossed Modifier*** —Proactive if Locked/Crossed Modifiers will be ignored.
