

Additions underscored
Deletions [bracketed]

RULES OF THE NYSE ARCA, INC.

RULE 6 OPTIONS TRADING

Rules Principally Applicable to Trading of Option Contracts

Rule 6.47A. Order Exposure Requirements — OX

Commentary:

.03 [The Order Exposure Requirements of this Rule shall also apply to orders priced in penny increments pursuant to Rules 6.62(s) and 6.73. In such cases, agency orders priced in penny increments are deemed "exposed" pursuant to (i) above, and orders entered by Users priced in penny increments are deemed bids or offers pursuant to (ii) above.]Reserved.

Rule 6.62. Certain Types of Orders Defined

(s) [Price Improving Orders and Quotes. A Price Improving Order or Price Improving Quote is an order or quote to buy or sell an option at a specified price at an increment smaller than the minimum price variation in the security. Price Improving Orders and Quotes may be entered in increments as small as one cent. Price Improving Orders and Quotes that are available for display shall be displayed at the minimum price variation in that security and shall be rounded up for offers and rounded down for bids.]Reserved.

Rule 6.73. Manner of Bidding and Offering

[The Exchange may designate one or more options to be eligible for Penny Price Improvement. Under this designation, the Exchange will allow all Users to provide price improvement beyond the Exchange's disseminated quotation ("Penny Pricing") for classes or series that are not already quoted in one-cent increments.

(a) **Electronic Penny Pricing.** Electronic penny prices may be established by submission of a Price Improving Order or Quote, as defined in Rule 6.62(s)

All Price Improving Orders and Quotes submitted as above shall be ranked by the Exchange for order allocation purposes, but shall not be displayed except as described in Rule 6.62(s).

If an order is received that could trade against Penny Pricing and where the Exchange's disseminated quotation is the NBBO, it will automatically execute against the Penny Pricing pursuant to the Exchange's normal allocation procedures.

(b) **Open Outcry Penny Pricing.** Oral bids (offers) provided by in-crowd market participants may be expressed in one-cent increments in response to an order represented in open outcry provided that: (1) the oral bids (offers) better the corresponding bid (offer) in the Exchange's disseminated quotation; and (2) any resulting transaction(s) is consistent with the requirements of Rule 6.94.

The Exchange may also determine on a class-by-class basis to make the split-price priority provisions of Rule 6.75 (h) applicable to a class that is subject to Penny Pricing under this rule.

For purposes of this rule, "in-crowd market participants" includes in-crowd Market-Makers (including an in-crowd LMM) and Floor Brokers representing orders in the trading crowd.

(c) Prior to effecting any transactions in open outcry in one-cent increments, OTP Holders must electronically "sweep" any Penny Pricing interest in the NYSE Arca system so as not to violate the priority of such Penny Pricing.]
