

Additions underscored
Deletions [bracketed]

NYSE Arca Options Fees and Charges

Effective Date: [~~December 12, 2018~~]January 1, 2019

NYSE Arca OPTIONS: FLOOR and EQUIPMENT and CO-LOCATION FEES

FLOOR BROKER FIXED COST PREPAYMENT INCENTIVE PROGRAM (the “FB Prepay Program”)

The FB Prepay Program affords each Floor Broker organization the opportunity to prepay its annual “Eligible Fixed Costs” (set forth in the table below) for [the final nine months of 2018 (i.e., April - December)]2019, and to receive a 10% discount on all such Eligible Fixed Costs

ELIGIBLE FIXED COSTS
OTP TRADING PARTICIPANT RIGHTS - Floor Broker
FLOOR BROKER ORDER CAPTURE DEVICE - MARKET DATA FEES
FLOOR BOOTHS
[TELEPHONES]
OPTIONS FLOOR ACCESS FEE
WIRE SERVICES
[VENDOR EQUIPMENT ROOM/CABINET FEE]

Participants in the FB Prepay Program qualify for larger discounts (i.e., more than 10% of the [remainder of 2018]2019 Eligible Fixed costs) expressed through Tiers by achieving growth in billable manual volume by a certain percentage as measured against one of two benchmarks (“Percentage Growth Incentive”). The Percentage Growth Incentive excludes Customer volume, Firm Facilitation and Broker Dealer facilitating a Customer trades, and QCCs. Any volume calculated to achieve the Firm and Broker Dealer Monthly Fee Cap and the Limit of Fees on Options Strategy Executions (“Strategy Cap”), regardless of whether either of these caps is achieved, will likewise be

excluded from the Percentage Growth Incentive because fees on such volume are already capped and therefore such volume does not increase billable manual volume.

To qualify for the Percentage Growth Incentive, a participating Floor Broker organization must increase their ADV during [the final nine months of 2018 (i.e., April through December 2018)]2019 by the percentages set forth in the table below, above the greater of

- (i) [10,000]11,000 contract sides in billable manual ADV; or
- (ii) 110% of [T]the Floor Broker's total billable manual ADV in contract sides during the second half of 2017 – i.e., July through December 2017.

FB Prepayment Program Incentives (based on ADV in contract sides [between April 1 - December 31, 2018] <u>in 2019</u>)		
Tier	Percentage Growth Incentive	Total Percentage Reduction of pre-paid Eligible Fixed Costs for [April through December 2018] <u>2019</u>
Tier 1	30%	40%
Tier 2	65%	75%
Tier 3	100%	100%*

*Participants in the FB Prepay Program that qualify for Tier 3 will be rebated the greater of 100% of their pre-paid annual Eligible Fixed Costs, or \$10,000/month [for April through December 2018].

To participate in the FB Prepay Program, Floor Broker organizations must notify the Exchange in writing by emailing optionsbilling@nyse.com, indicating a commitment to submit prepayment, by no later than [April 13]December 31, 2018. The email to enroll in the Program must originate from an officer of the Floor Broker organization and, except as provided for below, represents a binding commitment through the end of [2018]2019. Payment must be received in full by the close of business on [April 30, 2018]January 31, 2019. A Floor Broker organization that commits to the Program will be invoiced in [April 2018]January, 2019 for Eligible Fixed Costs, based on their [February]November 2018 costs, through the end of [2018]2019, less 10% of the [9 month]annual total. The Exchange will not issue any refunds in the event that a Floor Broker organization's prepaid Eligible Fixed Costs exceeds such actual costs [for the nine month period]. Participating Floor Broker organizations that qualify for the Percentage Growth Incentive will receive their [2018]2019 rebate in January [2019]2020.
