

Additions underscored
Deletions [bracketed]

NYSE Arca Options Fees and Charges

Effective Date: January [13] 26, 2023

NYSE Arca OPTIONS: TRADE-RELATED CHARGES FOR STANDARD OPTIONS¹⁴

Unless Professional Customer executions are specifically delineated, such executions will be treated as “Customer” executions for fee/credit purposes. Firms, Broker Dealers, and Market Makers are collectively referred to herein as “Non-Customers.”

A “Penny” issue or class refers to option classes that participate in the Penny Interval Program, as described in Rule 6.72A-O; whereas a “non-Penny” issue or class refers to option classes that do not participate in the Penny Interval Program, as described in Rule 6.72A-O.

TRANSACTION FEE FOR MANUAL EXECUTIONS - PER CONTRACT

Order Type	Manual Executions ⁵
LMM	\$0.30
NYSE Arca Market Maker	\$0.35
Firm and Broker Dealer	\$0.25
Professional Customer	[\$0.25*] <u>\$0.00</u>
Customer	\$0.00
Firm Facilitation and Broker Dealer facilitating a Customer or Professional Customer ⁷	\$0.00

[*The fee for Professional Customer Manual Executions will be waived for the period August 1, 2022 to December 31, 2022.]

FIRM AND BROKER DEALER MONTHLY FEE CAP	[\$100,000] <u>\$150,000</u> cap per month on combined Firm Proprietary Fees and Broker Dealer Fees for transactions in standard option contracts cleared in the customer range for Manual (Open Outcry) Executions, and QCC transactions, exclusive of Strategy
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Executions, Royalty Fees and firm trades executed via a Joint Back Office agreement.⁹ Once a Firm or Broker Dealer has reached the Firm and Broker Dealer Monthly Fee Cap, an incremental service fee of \$0.01 per contract for Firm or Broker Dealer Manual transactions will apply, except for the execution of a QCC order, in which case there is no incremental service fee. [The Monthly Firm and Broker Dealer Cap will decrease as set forth in the table below if Firms or Broker Dealers achieve the tier level set forth in the “Customer Penny Posting Credit Tiers.”

FIRM AND BROKER DEALER MONTHLY FIRM CAP TIERS

CUSTOMER PENNY POSTING CREDIT TIER ACHIEVED	FIRM CAP
Base or Tier 1	\$ 100,000
Tier 2	\$ 85,000
Tier 3	\$ 80,000
Tier 4	\$ 75,000
Tier 5	\$ 70,000
Tier 6 , 7, or 8	\$ 65,000]

NYSE Arca OPTIONS: FLOOR and EQUIPMENT

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 following calendar year.

ELIGIBLE FIXED COSTS
OTP TRADING PARTICIPANT RIGHTS - Floor Broker
FLOOR BROKER ORDER CAPTURE DEVICE - MARKET DATA FEES
FLOOR BOOTHS

OPTIONS FLOOR ACCESS FEE
WIRE SERVICES

Participants in the FB Prepay Program qualify for rebates [expressed through Tiers by achieving growth in billable manual volume by a certain percentage as measured against one of two benchmarks (“Percentage Growth Incentive”)] through the Manual Billable Rebate Program, payable on a monthly basis. The Manual Billable Rebate Program provides all Floor Brokers that participate in the FB Prepay Program a rebate on manual billable volume of (\$0.08) per billable side, and participating Floor Brokers that achieve more than 500,000 manual billable sides in a month are eligible for an additional rebate of (\$0.02) per billable side, payable back to the first billable side. The calculation of volume on which rebates earned through the Manual Billable Rebate Program would be paid is based on transactions including at least one side for which manual transaction fees are applicable and [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] this cap[s] is achieved, will likewise be excluded from the [Percentage Growth Incentive] Manual Billable Rebate Program because fees on such volume are already capped and therefore such volume does not increase billable manual volume. Submitting Broker QCC credits and Floor Broker rebates earned through the Manual Billable Rebate Program shall not combine to exceed \$2,000,000 per month per firm. [Volume from Professional Customer Manual Executions will continue to be included in the calculation of billable volume when Professional Customer Manual Execution fees are waived.

To qualify for the Percentage Growth Incentive, a participating Floor Broker organization must increase their ADV for the calendar year, above the greater of

- (i) 30,000 contract sides in billable manual ADV; or
- (ii) the Floor Broker’s total billable manual ADV in contract sides during the second half of 2020 – i.e., July through December 2020.

When calculating the increase in a Floor Broker organization’s ADV, the Exchange may exclude any trading day when open outcry on the Trading Floor is unavailable for a full day. Eligible Floor Broker organizations are entitled to an annual rebate that is the greater of the “Total Percentage Reduction of pre-paid annual Eligible Fixed Costs” or the “Alternative Rebate” based upon the Percentage Growth Incentive Tier achieved, as set forth in the table below:

FB Prepayment Program Incentives (based on annual ADV in contract sides for the calendar year)			
Tier	Percentage Growth Incentive	Total Percentage Reduction of pre-paid annual Eligible Fixed Costs	Alternative Rebate
Tier 1	5%	10%	\$8,000/month

Tier 2	15%	50%	\$18,000/month
Tier 3	30%	80%	\$24,000/month]

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 for the following calendar year, by no later than the last business day of December in the current year. 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 the following calendar year. Payment must be received in full by the close of business on the last business day in January. A Floor Broker organization that commits to the Program will be invoiced in January for Eligible Fixed Costs, based on annualizing their Eligible Fixed Costs incurred in November [2020] 2022. The Exchange will not issue any refunds in the event that a Floor Broker organization's prepaid Eligible Fixed Costs exceeds actual costs. [Participating Floor Broker organizations that qualify for the Percentage Growth Incentive will receive their rebate in the following January.]
