

Additions underlined  
Deletions [bracketed]

## **Rules of NYSE Chicago, Inc.**

### **RULE 0 REGULATION OF THE EXCHANGE AND PARTICIPANTS**

#### **Rule 0. Regulation of the Exchange and Participants**

The Exchange and FINRA are parties to a Regulatory Services Agreement ("RSA") pursuant to which FINRA has agreed to perform certain regulatory functions of the Exchange on behalf of the Exchange. Exchange Rules that refer to Exchange staff and Exchange departments should be understood as also referring to FINRA staff and FINRA departments acting on behalf of the Exchange pursuant to the RSA, as applicable. Notwithstanding the fact that the Exchange has entered into an RSA with FINRA to perform certain of the Exchange's functions, the Exchange shall retain ultimate legal responsibility for, and control of, such functions.

### **RULE 1 DEFINITIONS**

#### **Rule 1.1. Definitions**

As used in Exchange rules, unless the context requires otherwise, the terms below will mean the following:

#### **Authorized Trader**

(a) The term "Authorized Trader" or "AT" means a person who may submit orders to the Exchange's Trading Facilities on behalf of his or her Participant.

#### **Away Market**

(b) The term "Away Market" means any exchange, alternative trading system ("ATS") or other broker-dealer (1) with which the Exchange maintains an electronic linkage and (2) that provides instantaneous responses to orders routed from the Exchange. The Exchange will designate from time to time those ATS's or other broker-dealers that qualify as Away Markets.

#### **BBO**

(c) The term "BBO" means the best bid or offer that is a Protected Quotation on the Exchange. The term "BB" means the best bid that is a Protected Quotation on the Exchange and the term "BO" means the best offer that is a Protected Quotation on the Exchange.

**Board and Board of Directors**

(d) The terms "Board" and "Board of Directors" shall mean the Board of Directors of NYSE Chicago, Inc.

**Core Trading Hours**

(e) The term "Core Trading Hours" means the hours of 9:30 am Eastern Time through 4:00 pm Eastern Time or such other hours as may be determined by the Exchange from time to time. All times in the Pillar Platform Rules are Eastern Time.

**Effective National Market System Plan, Regular Trading Hours**

(f) The terms "effective national market system plan" and "regular trading hours," have the meanings set forth in Rule 600(b) of Regulation NMS under the Exchange Act.

**Eligible Security**

(g) The term "Eligible Security" means any equity security (i) traded on the Exchange pursuant to a grant of unlisted trading privileges under Section 12(f) of the Exchange Act and (ii) specified by the Exchange to be traded on the Exchange or other facility, as the case may be.

**Exchange**

(h) The term "Exchange" means NYSE Chicago, Inc.

**Exchange Act**

(i) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

**Exchange Book**

(j) The term "Exchange Book" refers to the Exchange's electronic file of displayed and non-displayed orders.

**Exchange Traded Product and UTP Exchange Traded Product**

(k) The term "Exchange Traded Product" means a security that meets the definition of "derivative securities product" in Rule 19b-4(e) under the Exchange Act and a "UTP Exchange Traded Product" means one of the following Exchange Traded Products that trades on the Exchange pursuant to unlisted trading privileges:

- Equity Linked Notes,
- Investment Company Units,
- Index-Linked Exchangeable Notes,

- Equity Gold Shares,
- Equity Index-Linked Securities,
- Commodity-Linked Securities,
- Currency-Linked Securities,
- Fixed-Income Index-Linked Securities,
- Futures-Linked Securities,
- Multifactor-Index-Linked Securities,
- Trust Certificates,
- Currency and Index Warrants,
- Portfolio Depository Receipts,
- Trust Issued Receipts,
- Commodity-Based Trust Shares,
- Currency Trust Shares,
- Commodity Index Trust Shares,
- Commodity Futures Trust Shares,
- Partnership Units,
- Paired Trust Shares,
- Trust Units,
- Managed Fund Shares, and
- Managed Trust Securities.

### **FINRA**

(l) The term "FINRA" means the Financial Industry Regulatory Authority, Inc.

### **Marketable**

(m) The term "Marketable" means, for a Limit Order, an order that can be immediately executed or routed. Market Orders are always considered marketable.

### **NBBO, Best Protected Bid, Best Protected Offer, Protected Best Bid and Offer (PBBO)**

(n) The term "NBBO" means the national best bid or offer, as defined in Rule 600(b)(42) of Regulation NMS. The terms "NBB" mean the national best bid and "NBO" means the national best offer. The terms "Best Protected Bid" or "PBB" means the highest Protected Bid, and "Best Protected Offer" or "PBO" means the lowest Protected Offer, and the term "Protected Best Bid and Offer" ("PBBO") means the Best Protected Bid and the Best Protected Offer, as those terms are defined in Rule 600(b)(57) of Regulation NMS.

### **NMS Stock**

(o) The term "NMS Stock" means any security, other than an option, for which transaction reports are collected, processed, and made available pursuant to an effective transaction reporting plan as defined in Rule 600(b)(47) of Regulation NMS.

### **NYSE Chicago Marketplace**

(p) "NYSE Chicago Marketplace" means the electronic securities communications and trading facility of the Exchange through which orders are processed or are consolidated for execution and/or display.

### **Protected Bid, Protected Offer, Protected Quotation**

(q) The term "Protected Bid" or "Protected Offer" means a quotation in an NMS Stock that is (i) displayed by an Automated Trading Center; (ii) disseminated pursuant to an effective national market system plan; and (iii) an Automated Quotation that is the best bid or best offer of a national securities exchange or the best bid or best offer of a national securities association. The term "Protected Quotation" means a quotation that is a Protected Bid or Protected Offer. For purposes of the foregoing definitions, the terms "Automated Trading Center," "Automated Quotation," "Manual Quotation," "Best Bid," and "Best Offer," have the meanings ascribed to them in Rule 600(b) of Regulation NMS under the Exchange Act.

### **Security**

(r) The terms "Security" and "Securities" means any security as defined in Rule 3(a)(10) under the Exchange Act, provided, however, that for purposes of Rule 7, such term means any NMS Stock.

### **Self-Regulatory Organization ("SRO")**

(s) The terms "self-regulatory organization" and "SRO" have the same meaning as set forth in the provisions of the Exchange Act relating to national securities exchanges.

### **Trade-Through**

(t) The term "trade-through" means the purchase or sale of an NMS Stock during regular trading hours, either as principal or agent, at a price that is lower than a Protected Bid or higher than a Protected Offer.

### **Trading Center**

(u) For purposes of Rule 7, the term "Trading Center" means a national securities exchange or a national securities association that operates an SRO trading facility, an alternative trading system, an exchange market maker, an OTC market maker or any other broker or dealer that executes orders internally by trading as principal or crossing orders as agent. For purposes of this definition, the terms "SRO trading facility," "alternative trading system," "exchange market maker" and "OTC market maker" have the meanings ascribed to them in Rule 600(b) of Regulation NMS under the Exchange Act.

### **Trading Facilities**

(v) The term “Trading Facilities” means any and all electronic or automatic trading systems provided by the Exchange to Participants.

### **UTP Security**

(w) The term “UTP Security” means a security that is listed on a national securities exchange other than the Exchange and that trades on the Exchange pursuant to unlisted trading privileges.

### **UTP Listing Market**

(x) The term "UTP Listing Market" means the primary listing market for a UTP Security.

### **UTP Regulatory Halt**

(y) The term "UTP Regulatory Halt" means a trade suspension, halt, or pause called by the UTP Listing Market in a UTP Security that requires all market centers to halt trading in that security.

## **RULE 2 TRADING PERMITS**

### **Rule 2.13. Mandatory Participation in Testing of Backup Systems**

(a) The Exchange will establish standards for the designation of Participants it reasonably determines are, taken as a whole, the minimum necessary for the maintenance of fair and orderly markets in the event of the activation of the Exchange's business continuity and disaster recovery plans.

(b) A Participant designated pursuant to standards established in paragraph (a) of this Rule will be required to participate in scheduled functional and performance testing of the Exchange's business continuity and disaster recovery plans in the manner and frequency specified by the Exchange, which shall not be less than once every 12 months.

(c) Reserved.

(d) At least three (3) months prior to a scheduled functional and performance testing of the Exchange's business continuity and disaster recovery plans, the Exchange will publish the criteria to be used by the Exchange to determine which Participants will be required to participate in such testing, and notify those Participants that are required to participate based on such criteria.

(e) Participants not designated pursuant to standards established in paragraph (a) of this Rule are permitted to connect to the Exchange's backup systems and may participate in scheduled functional and performance testing of the Exchange's business continuity and

disaster recovery plans.

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## **RULE 7 EQUITIES TRADING**

In addition to using terms defined in Rule 1.1, this Rule 7 uses capitalized terms that refer to certain order types and modifiers that are defined in Rule 7.31, other capitalized terms relating to trading sessions and the ranking of orders that are defined in Rules 7.34 and 7.36, and additional terms defined under Article 1, Rule 1.

### **Section 1. General Provisions**

Rule 7.1. Hours of Business

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### **Rule 7.5. [Reserved]Trading Units**

The unit of trading in stocks is 1 share. A “round lot” is 100 shares, unless specified by the primary listing market to be fewer than 100 shares. Any amount less than a round lot will constitute an “odd lot,” and any amount greater than a round lot that is not a multiple of a round lot will constitute a “mixed lot.”

### **Rule 7.6. [Reserved]Trading Differentials**

Except for Cross Orders, the minimum price variation (“MPV”) for quoting and entry of orders in securities traded on the Exchange is \$0.01, with the exception of securities that are priced less than \$1.00 for which the MPV for quoting and entry of orders is \$0.0001. A Cross Order, whether priced less than or at or above \$1.00, may be submitted in an increment as small as \$0.000001 unless the Cross Order has been designated with regular way settlement terms and does not meet Cross with Size, in which case the cross price must also be (i) at least \$0.01 above (below) the BB (BO) if the cross price is at or above \$1.00 or (ii) at least \$0.0001 above (below) the BB (BO) if the cross price is under \$1.00.

### **Rule 7.7. [Reserved]Transmission of Bids or Offers**

(a) No Participant having the right to trade through the facilities of the Exchange and who has been a party to or has knowledge of an execution shall be under obligation to divulge the name of the buying or selling firm in any transaction.

(b) Except as otherwise permitted by these Rules, no Participant shall transmit through the facilities of the Exchange any information regarding a bid, offer, other indication of an order, or the Participant's identity, to a non-holder of a Trading Permit or to another Participant until permission to disclose and transmit such bid, offer, other indication of an order, or the Participant's identity has been obtained from the originating Participant or the originating Participant affirmatively elects to disclose its identity.

**Rule 7.8. [Reserved]Bid or Offer Deemed Regular Way**

Except as provided for in Rule 7.8A, bids and offers will be considered to be “regular way” settlement terms.

**Rule 7.8A. Cross Order Settlement Terms**

(a) Cross Orders will be considered to be “regular way” settlement terms unless designated with one of the following “non-regular way” settlement terms: Cash or Next Day. A Cross Order designated for “non-regular way” settlement may execute at any price without regard to the PBBO or any orders on the Exchange Book.

(1) “Cash”: a transaction for delivery on the day of the contract.

(2) “Next Day”: a transaction for delivery on the next business day following the day of the contract.

**Rule 7.9. [Reserved]Execution Price Binding**

Notwithstanding Rules 7.10 and 7.11 and Article 20 Rules 9, 9A, and 11, the price at which an order is executed shall be binding notwithstanding the fact that an erroneous report in respect thereto may have been rendered.

**Rule 7.10. [Reserved]Clearly Erroneous Executions**

The provisions of paragraphs (c), (e)(2), (f), and (g) of this Rule and the provisions of paragraphs (i) through (k), shall be in effect during a pilot period that expires at the close of business on October 18, 2019. If the pilot period is not either extended or approved as permanent, the prior version of paragraphs (c), (e)(2), (f), and (g) of Article 20, Rule 10 prior to being amended by SR-CHX-2010-13 shall be in effect, and the provisions of paragraphs (i) through (k) shall be null and void.

(a) *Definition.* For purposes of this Rule, the terms of a transaction executed on the Exchange are “clearly erroneous” when there is an obvious error in any term, such as price, number of shares or other unit of trading, or identification of the security. A transaction made in clearly erroneous error and cancelled by both parties or determined by the Exchange to be clearly erroneous will be removed from the Consolidated Tape.

(b) *Request and Timing of Review.* A Participant that receives an execution on an order that was submitted erroneously to the Exchange for its own or customer account may request that the Exchange review the transaction under this Rule. An Officer of the Exchange or such other employee designee of the Exchange (“Officer”) will review the transaction under dispute and determine whether it is clearly erroneous, with a view toward maintaining a fair and orderly market and the protection of investors and the public interest. Such request for review will be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Participants.

(i) Requests for Review. Requests for review must be received within thirty (30) minutes of execution time and will include information concerning the time of the transaction(s), security symbol(s), number of shares, price(s), side (bought or sold), and factual basis for believing that the trade is clearly erroneous. Upon receipt of a timely filed request that satisfies the numerical guidelines set forth in paragraph (c)(1) of this Rule, the counterparty to the trade will be notified by the Exchange as soon as practicable, but generally within 30 minutes. An Officer may request additional supporting written information to aid in the resolution of the matter. If requested, each party to the transaction will provide, within thirty (30) minutes of the request, any supporting written information. Either party to the disputed trade may request the supporting written information provided by the other party on the matter.

(ii) Routed Executions. Other market centers will generally have an additional 30 minutes from receipt of their Participant's timely filing, but no longer than 60 minutes from the time of the execution at issue, to file with the Exchange for review of transactions routed to the Exchange from that market center and executed on the Exchange.

(c) Thresholds. Determinations of a clearly erroneous execution will be made as follows:

(1) Numerical Guidelines. Subject to the provisions of paragraph (c)(3) below, a transaction executed during the Core Trading Session or the Early and Late Trading Session will be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below. The Reference Price will be equal to the consolidated last sale immediately prior to the execution(s) under review except for: (A) Multi-Stock Events involving twenty or more securities, as described in (c)(2) below; and (B) in other circumstances, such as, for example, relevant news impacting a security or securities, periods of extreme market volatility, sustained illiquidity, or widespread system issues, where use of a different Reference Price is necessary for the maintenance of a fair and orderly market and the protection of investors and the public interest.

<u>Reference Price, Circumstance or Product:</u>	<u>Core Trading Session Numerical Guidelines (Subject transaction's % difference from the Reference Price):</u>	<u>Early and Late Trading Session Numerical Guidelines (Subject transaction's % difference from the Reference Price):</u>
<u>Between \$0.00 and \$25.00</u>	<u>10%</u>	<u>20%</u>
<u>Between \$25.01 and \$50.00</u>	<u>5%</u>	<u>10%</u>
<u>Greater than \$50.00</u>	<u>3%</u>	<u>6%</u>



<u>Multi-Stock Event - Filings involving five or more, but less than twenty, securities whose executions occurred within a period of five minutes or less</u>	<u>10%</u>	<u>10%</u>
<u>Multi-Stock Event - Filings involving twenty or more securities whose executions occurred within a period of five minutes or less</u>	<u>30%, subject to the terms of paragraph (c)(2) below</u>	<u>30%, subject to the terms of paragraph (c)(2) below</u>
<u>Leveraged ETF/ETN securities</u>	<u>Core Trading Session Numerical Guidelines multiplied by the leverage multiplier (e.g., 2x)</u>	<u>Core Trading Session Numerical Guidelines multiplied by the leverage multiplier (e.g. 2x)</u>

(2) Multi-Stock Events Involving Twenty or More Securities. During Multi-Stock Events involving twenty or more securities the number of affected transactions may be such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. In such circumstances, the Exchange may use a Reference Price other than consolidated last sale. To ensure consistent application across market centers when this paragraph is invoked, the Exchange will promptly coordinate with the other market centers to determine the appropriate review period, which may be greater than the period of five minutes or less that triggered application of this paragraph, as well as select one or more specific points in time prior to the transactions in question and use transaction prices at or immediately prior to the one or more specific points in time selected as the Reference Price. The Exchange will nullify as clearly erroneous all transactions that are at prices equal to or greater than 30% away from the Reference Price in each affected security during the review period selected by the Exchange and other markets consistent with this paragraph.

(3) Additional Factors. Except in the context of a Multi-Stock Event involving five or more securities, an Officer may also consider additional factors to determine whether an execution is clearly erroneous, including but not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an IPO, whether the security was subject to a stock-split, reorganization, or other corporate action, overall market conditions, Early and Late Trading Session executions, validity of the consolidated tapes trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern in the stock. Each additional factor will be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(d) Outlier Transactions. In the case of an Outlier Transaction, an Officer may at its sole discretion, and on a case-by-case basis, consider requests received pursuant to subsection

(b) of this Rule after 30 minutes, but not longer than sixty minutes after the transaction in question, depending on the facts and circumstances surrounding such request.

(1) "Outlier Transaction" means a transaction where:

(A) the execution price of the security is greater than three times the current Numerical Guidelines set forth in paragraph (c)(1) of this Rule, or

(B) the execution price of the security in question is not within the Outlier Transaction parameters set forth in paragraph (d)(1)(A) of this Rule but breaches the 52-week high or 52-week low, the Exchange may consider Additional Factors as outlined in Rule 7.10(c)(3), in determining if the transaction qualifies for further review or if the Exchange shall decline to act.

(e) Review Procedures.

(1) Determination by Officer. Unless both parties (or party, in the case of a Cross Order) to the disputed transaction agree to withdraw the initial request for review, the transaction under dispute will be reviewed, and a determination will be rendered by the Officer. If the Officer determines that the transaction is not clearly erroneous, the Officer will decline to take any action in connection with the completed trade. In the event that the Officer determines that the transaction in dispute is clearly erroneous, the Officer will declare the transaction null and void. A determination will be made generally within 30 minutes of receipt of the complaint, but in no case later than the start of Core Trading on the following trading day. The parties will be promptly notified of the determination.

(2) Appeals. If a Participant affected by a determination made under this Rule so requests within the time permitted below, the Clearly Erroneous Execution Panel ("CEE Panel") will review decisions made by the Officer under this Rule, including whether a clearly erroneous execution occurred and whether the correct determination was made; provided however that the CEE Panel will not review decisions made by an officer under paragraph (f) of this Rule if such Officer also determines under paragraph (f) of this Rule that the number of the affected transactions is such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest, and further provided that with respect to rulings made in conjunction with one or more additional market centers, the number of the affected transactions is similarly such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest and, hence, are also non-appealable.

(A) The CEE Panel will consist of the Exchange Chief Regulatory Officer ("CRO"), or a designee of the CRO, and representatives from two (2) Participants.

(B) The Exchange will designate at least ten (10) Participant representatives to be called upon to serve on the CEE Panel as needed. In no case will a CEE Panel include a person related to a party to the trade in question. To the extent reasonably possible, the Exchange will call upon the designated representatives to participate on a CEE Panel on an equally

frequent basis.

(3) A request for review on appeal must be made via e-mail within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The CEE Panel will review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received between 3:00 p.m. Eastern Time and the close of trading in the Late Trading Session, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

(4) The CEE Panel may overturn or modify an action taken by the Officer under this Rule. All determinations by the CEE Panel will constitute final action by the Exchange on the matter at issue.

(5) If the CEE Panel votes to uphold the decision made pursuant to Rule 7.10(e)(1), the Exchange will assess a \$500.00 fee against the Participant(s) who initiated the request for appeal.

(6) Any determination by an Officer or by the CEE Panel will be rendered without prejudice as to the rights of the parties to the transaction to submit their dispute to arbitration.

(f) *System Disruption or Malfunctions.* In the event of any disruption or a malfunction in the operation of any electronic communications and trading facilities of the Exchange in which the nullification of transactions may be necessary for the maintenance of a fair and orderly market or the protection of investors and the public interest exist, the Officer, on his or her own motion, may review such transactions and declare such transactions arising out of the operation of such facilities during such period null and void. In such events, the Officer of the Exchange or such other senior level employee designee will rely on the provisions of paragraph (c)(1)-(3) of this Rule, but in extraordinary circumstances may also use a lower Numerical Guideline if necessary to maintain a fair and orderly market, protect investors and the public interest. Absent extraordinary circumstances, any such action of the Officer pursuant to this subsection (f) will be taken within thirty (30) minutes of detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer must be taken by no later than the start of Core Trading on the day following the date of execution(s) under review. Each Participant involved in the transaction will be notified as soon as practicable, and the Participant aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2)-(4) of this Rule.

(g) *Officer Acting On Own Motion.* An Officer, acting on its own motion, may review potentially erroneous executions and declare trades null and void or will decline to take any action in connection with the completed trade(s). In such events, the Officer of the Exchange or such other senior level employee designee will rely on the provisions of Section (c)(1)-(3) of this Rule. Absent extraordinary circumstances, any such action of the Officer will be taken in a timely fashion, generally within thirty (30) minutes of the

detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer must be taken by no later than the start of Core Trading on trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction will be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2)-(4) above.

(h) Trade Nullification for UTP Securities that are Subject of Initial Public Offerings ("IPOs"). Pursuant to SEC Rule 12f-2, as amended, the Exchange may extend unlisted trading privileges to a security that is the subject of an initial public offering when at least one transaction in the subject security has been effected on the national securities exchange or association upon which the security is listed and the transaction has been reported pursuant to an effective transaction reporting plan. A clearly erroneous error may be deemed to have occurred in the opening transaction of the subject security if the execution price of the opening transaction on the Exchange is the lesser of \$1.00 or 10% away from the opening price on the listing exchange or association. In such circumstances, the Officer will declare the opening transaction null and void or will decline to take action in connection with the completed trade(s). Clearly erroneous executions of subsequent transactions of the subject security will be reviewed in the same manner as the procedure set forth in (e)(1). Absent extraordinary circumstances, any such action of the Officer pursuant to this paragraph (h) will be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer must be taken by no later than the start of Core Trading on the day following the date of execution(s) under review. Each party involved in the transaction will be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2)-(4) above.

(i) Securities Subject to Limit Up-Limit Down Plan. For purposes of this Rule, the phrase "Limit Up-Limit Down Plan" or "Plan" means the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Exchange Act. The provisions of paragraphs (a) through (h) above and (j) through (k) below will govern all Exchange transactions, including transactions in securities subject to the Plan, other than as set forth in this paragraph (i). If as a result of an Exchange technology or systems issue any transaction occurs outside of the applicable price bands disseminated pursuant to the Plan, an Officer of the Exchange or senior level employee designee, acting on his or her own motion or at the request of a third party, will review and declare any such trades null and void. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee will be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of the Core Trading Hours on the trading day following the date on which the execution(s) under review occurred. Each Participant involved in the transaction will be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above. In the event that a

single plan processor experiences a technology or systems issue that prevents the dissemination of price bands, the Exchange will make the determination of whether to nullify transactions based on paragraphs (a) through (h) above and (j) through (k) below.

(j) *Multi-Day Event*. A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions (the "Event"). An Officer, acting on his or her own motion, will take action to declare all transactions that occurred during the Event null and void not later than the start of trading on the day following the last transaction in the Event. If trading in the security is halted before the valuation error is corrected, an Officer will take action to declare all transactions that occurred during the Event null and void prior to the resumption of trading. Notwithstanding the foregoing, no action can be taken pursuant to this paragraph with respect to any transactions that have reached settlement date or that result from an initial public offering of a security. To the extent transactions related to an Event occur on one or more other market centers, the Exchange will promptly coordinate with such other market center(s) to ensure consistent treatment of the transactions related to the Event, if practicable. Any action taken in connection with this paragraph will be taken without regard to the Numerical Guidelines set forth in this Rule. Each Participant involved in a transaction subject to this paragraph will be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(k) *Trading Halts*. In the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of the Exchange, another market center or responsible single plan processor in connection with the transmittal or receipt of a regulatory trading halt, suspension or pause, an Officer, acting on his or her own motion, will nullify any transaction in a security that occurs after the primary listing market for such security declares a regulatory trading halt, suspension or pause with respect to such security and before such regulatory trading halt, suspension or pause with respect to such security has officially ended according to the primary listing market. In addition, in the event a regulatory trading halt, suspension or pause is declared, then prematurely lifted in error and is then re-instituted, an Officer will nullify transactions that occur before the official, final end of the halt, suspension or pause according to the primary listing market. Any action taken in connection with this paragraph will be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction and in no circumstances later than the start of Core Trading Hours on the trading day following the date of execution(s) under review. Any action taken in connection with this paragraph will be taken without regard to the Numerical Guidelines set forth in this Rule. Each Participant involved in a transaction subject to this paragraph will be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

**Rule 7.11. [Reserved]Limit Up—Limit Down Plan and Trading Pauses in Individual Securities Due to Extraordinary Market Volatility**

**(a) Limit Up-Limit Down Mechanism.**

**(1) Definitions**

(A) "Plan" means the Plan to Address Extraordinary Market Volatility Submitted to the Securities and Exchange Commission Pursuant to Rule 608 of Regulation NMS under the Exchange Act, Exhibit A to Securities Exchange Act Release No. 67091 (May 31, 2012), 77 FR 33498 (June 6, 2012), as it may be amended from time to time.

(B) All capitalized terms not otherwise defined in this Rule shall have the meanings set forth in the Plan or Exchange rules, as applicable.

**(2) Exchange Participation in the Plan.** The Exchange is a participant in, and subject to the applicable requirements of, the Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

**(3) Participant Compliance.** Participants will comply with the applicable provisions of the Plan.

**(4) Exchange Compliance with the Plan.** Exchange systems will not display or trade buy (sell) interest above (below) the Upper (Lower) Price Bands, unless such interest is specifically exempted under the Plan.

**(5) Repricing and Cancellation of Orders.** Exchange systems will reprice or cancel buy (sell) orders that are priced or could be traded above (below) the Upper (Lower) Price Band.

(A) Incoming Market Orders, Limit Orders designated IOC, and Day ISOs will be traded, or if applicable, routed to an Away Market, to the fullest extent possible, subject to Rule 7.31(a)(1)(B) (Trading Collars for Market Orders) and 7.31(a)(2)(B) (price check for Limit Orders) at prices at or within the Price Bands.

(i) Any quantity of such orders that cannot be traded or routed at prices at or within the Price Bands will be cancelled and the Participant will be notified of the reason for the cancellation.

(ii) If Price Bands move and the working price of a resting Market Order or Day ISO to buy (sell) is above (below) the updated Upper (Lower) Price Band, such orders will be cancelled.

(B) Incoming Limit Orders will be traded, or if applicable, routed to an Away Market, to the fullest extent possible, subject to Rule 7.31(a)(2)(B) (price check

for Limit Orders) at prices at or within the Price Bands.

(i) Unless the Participant has entered an instruction to cancel any quantity of a Limit Order that cannot be traded or routed at prices at or within the Price Bands, such order will be assigned a working price, and if applicable, display price, at the Upper (Lower) Price Band, consistent with the terms of the order.

(ii) The repricing of Limit Orders will be applicable to both incoming and resting orders. If the Price Bands move and the limit price of a repriced order is at or within the Price Band, such Limit Order will be adjusted to its limit price.

(iii) Primary Until 9:45 Orders and Primary After 3:55 Orders will be priced under paragraph (a)(5)(B) of this Rule only when such orders are entered on or resting on the Exchange Book.

(C) **Sell Short Orders.** If a Limit Order does not include a cancel instruction and is also a sell short order, during a Short Sale Price Test, as set forth in Rule 7.16(f), such short sale order priced below the Lower Price Band will be repriced to the higher of the Lower Price Band or the Permitted Price, as defined in Rule 7.16(f)(5)(A). Sell short orders that are not eligible to be repriced will be treated as the order types specified in (a)(5)(A) above.

(D) Reserved.

(E) Limit IOC Cross Orders with regular-way settlement instructions with a cross price above (below) the Upper (Lower) Price Band will be rejected.

(F) If the midpoint of the PBBO is above (below) the Upper (Lower) Price Band, an MPL Order to buy (sell) will not be repriced or rejected and will not be eligible to trade unless the Participant enters an instruction to cancel or reject such MPL Order.

(6) **Routing to Away Markets.** Exchange systems will not route buy (sell) orders to an Away Market displaying a sell (buy) quote that is above (below) the Upper (Lower) Price Band, provided that the Exchange will route Primary Only Orders, Primary Until 9:45, and Primary After 3:55 Orders to the primary listing market regardless of price.

(b) **Re-opening of Trading following a Trading Pause.** If a primary listing market issues a Trading Pause, the Exchange will resume trading as provided for in Rule 7.18.

#### **Rule 7.12. [Reserved] Trading Halts Due to Extraordinary Market Volatility**

This Rule shall be in effect during a pilot period that expires at the close of business on

October 18, 2020.

(a) The Exchange shall halt trading in all stocks and shall not reopen for the time periods specified in this Rule if there is a Level 1, 2, or 3 Market Decline.

(i) For purposes of this Rule, a Market Decline means a decline in price of the S&P 500® Index between 9:30 a.m. and 4:00 p.m. on a trading day as compared to the closing price of the S&P 500® Index for the immediately preceding trading day. The Level 1, Level 2, and Level 3 Market Declines that will be applicable for the trading day will be publicly disseminated before 9:30 a.m.

(ii) A "Level 1 Market Decline" means a Market Decline of 7%.

(iii) A "Level 2 Market Decline" means a Market Decline of 13%.

(iv) A "Level 3 Market Decline" means a Market Decline of 20%.

(b) Halts in Trading.

(i) If a Level 1 Market Decline or a Level 2 Market Decline occurs after 9:30 a.m. Eastern Time and up to and including 3:25 p.m., or in the case of an early scheduled close, 12:25 p.m., the Exchange shall halt trading in all stocks for 15 minutes after a Level 1 or Level 2 Market Decline. The Exchange shall halt trading based on a Level 1 or Level 2 Market Decline only once per trading day. The Exchange will not halt trading if a Level 1 Market Decline or a Level 2 Market Decline occurs after 3:25 p.m. Eastern Time, or in the case of an early scheduled close, 12:25 p.m.

(ii) If a Level 3 Market Decline occurs at any time during the trading day, the Exchange shall halt trading in all stocks until the primary listing market opens the next trading day.

(c) Re-opening of Trading

(i) If the primary listing market halts trading in all stocks, the Exchange will halt trading in all stocks until trading has resumed on the primary listing market or notice has been received from the primary listing market that trading may resume. If the primary listing market does not reopen a security within 15 minutes following the end of the 15-minute halt period, the Exchange may resume trading in that security.

(d) Nothing in this Rule should be construed to limit the ability of the Exchange to otherwise halt, suspend, or pause the trading in any stock or stocks traded on the Exchange pursuant to any other Exchange rule or policy.

### **Rule 7.13. Trading Suspensions**

The Chair of the Board or the CEO, or the officer designee of the Chair or the CEO, shall



have the power to suspend trading in any and all securities traded on the Exchange whenever in his or her opinion such suspension would be in the public interest. No such action shall continue longer than a period of two days, or as soon thereafter as a quorum of Directors can be assembled, unless the Board approves the continuation of such suspension.

**Rule 7.14. Reserved**

**Rule 7.15. Reserved**

**Rule 7.16. Short Sales**

(a) The terms “long”, “short”, and “short exempt” will have the meaning given to each by Regulation SHO, 17 CFR 240.200 et seq.

(b) Order Identification. No Participant of the Exchange may, by the use of any facility of the Exchange, execute any sell order unless such order is indicated as either “long”, “short”, or “short exempt”.

(c) Marking Orders. A Participant must mark all sell orders as “long”, “short”, or “short exempt”. Sales should be marked “short”, “short exempt”, and “long” in accordance with SEC Rule 200(g).

(d) Covering Short Sales. No Participant of the Exchange will lend, or arrange for the loan of any security for delivery to the broker for the purchaser after sale, or will fail to deliver a security on the date delivery is due, if such Participant knows or has reasonable grounds to believe that the sale was effected, or will be effected, pursuant to an order marked "long" unless such Participant knows, or has been informed by the seller (i) that the security sold has been forwarded to the account for which the sale was effected, or (ii) that the seller owns the security sold, that it is then impracticable to deliver such security to such account and that delivery will be made as soon as is possible without undue inconvenience or expense. The provisions of this subsection (d) will not apply to:

(1) The lending of a security by a Participant through the medium of a loan to another Participant; or

(2) Any loan, or arrangement for the loan, of any security, or any failure to deliver any security if, prior to such loan, arrangement, or failure to deliver, the Exchange finds (A) that such sale resulted from a mistake made in good faith; (B) either that the condition of the market at the time the mistake was discovered was such that undue hardship would result from covering the transaction by a “purchase for cash” or that the mistake was made by the seller's broker; and (C) that due diligence was used to ascertain that either (i) the security to be delivered after sale is carried in the account for which the sale was effected, or (ii) such Participant had been informed that the seller owns the security being sold, and as soon as possible without undue inconvenience or expense, will deliver the security owned to the account for which

the sale was effected.

(e) **General.** Short sale executions, order marking and securities lending in connection with short sales by Participants will be subject to, and comply with, the provisions of Regulation SHO under the Exchange Act.

(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:

(1) **Definitions.** For purposes of this Rule, the terms “covered security,” “listing market,” and “national best bid” (“NBB”) will have the same meaning as such terms have in Rule 201 of Regulation SHO.

(2) **Short Sale Price Test.** Except as provided in subparagraphs (f)(6) and (f)(7) below, Exchange systems will not execute or display a short sale order with respect to a covered security at a price that is less than or equal to the current NBB if the price of that security decreases by 10% or more, as determined by the listing market for the security, from the Official Closing Price on the Exchange as of the end of regular trading hours on the prior day (“Trigger Price”).

(3) Reserved.

(4) **Duration of Short Sale Price Test.** If the Short Sale Price Test is triggered by the listing market with respect to a covered security, the Short Sale Price Test will remain in effect until the close of trading on the next trading day, as provided for in Regulation SHO Rule 201(b)(1)(ii) (the “Short Sale Period”).

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

(A) **Re-pricing of Orders** —Except as provided for in paragraphs (f)(5)(B) - (I) 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 Exchange 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.

(B) **Priority 3 Orders** —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.

(C) **Priority 1 Orders** -- A Market Order will be ranked Priority 2 - Display Orders and will be subject to Trading Collars specified in Rule 7.31(a)(1)(B)(i). If a Short Sale Period is triggered when an order ranked Priority 1 - Market Orders is resting on the Exchange Book, such resting order will be converted to an order ranked Priority 2 - Display Orders. If the Short Sale Period ends intraday, such order will be converted back to an order ranked Priority 1 - Market Orders. When ranked Priority 2 - Display Orders, such order will be:

(i) assigned a limit price of one MPV above \$0.00;

(ii) assigned a working price and (during Core Trading Hours) a display price that is the higher of the Permitted Price or one MPV above the lower Trading Collar as determined under Rule 7.31(a)(1)(B)(i); and

(iii) cancelled if the Permitted Price is or becomes lower than the Lower Price Band, as provided for in Rule 7.11(a)(5).

(D) **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) **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) **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) **ISO** —ISOs will be rejected if the limit price is at or below the NBB.

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

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

(6) **Execution of Permissible Orders during the Short Sale Period.** During the Short

Sale Period, a short sale order will be executed and displayed without regard to price if, at the time of initial display of the short sale order, the order was at a price above the then current NBB. Except as specifically noted in subparagraph (f)(5), short sale orders that are entered into the Exchange prior to the Short Sale Period but are not displayed, including the reserve interest of a Reserve Order, will be adjusted to a Permitted Price.

(7) **Short Exempt Orders.** During the Short Sale Period, Exchange systems will execute and display orders marked “short exempt” without regard to whether the order is at a Permitted Price. Exchange systems will accept orders marked “short exempt” at any time when such systems are open for order entry, regardless of whether the Short Sale Price Test has been triggered.

### **Rule 7.17. Firm Orders and Quotes**

(a) *Orders at Stated Prices and Sizes.* No Participant shall submit to the Exchange an order to buy from or sell to any person any security at a stated price and/or size unless such Participant is prepared to, and, upon submission of an appropriate contra-side order, does, purchase or sell, as the case may be, at such price and/or size and under such conditions as are stated at the time of submission of such order to buy or sell.

(b) *Firm Quotes.* All bids made and all offers made shall be in accordance with the provisions of Rule 602 of Regulation NMS, governing the dissemination of quotations for reported securities.

### **Rule 7.18. Halts**

(a) *UTP Regulatory Halts.* If the UTP Listing Market declares a UTP Regulatory Halt, the Exchange will halt trading in that security until it receives notification from the UTP Listing Market that the halt or suspension is no longer in effect or as provided for in Rules 7.11 and 7.12, provided that, during Core Trading Hours, the Exchange will halt trading until it receives the first Price Band in that security. If a UTP Regulatory Halt was issued for the purpose of dissemination of material news, the Exchange will assume that adequate publication or dissemination has occurred upon the expiration of one hour after initial publication in a national news dissemination service of the information that gave rise to an UTP Regulatory Halt and may, at its discretion, reopen trading at that time, notwithstanding notification from the UTP Listing Market that the halt or suspension is no longer in effect.

(b) The Exchange will not conduct a reopening auction in a UTP Security and will process new and existing orders in a UTP Security during a UTP Regulatory Halt as follows:

(1) cancel any unexecuted portion of Market Orders, Non-Displayed Limit Orders, MPL Orders, Tracking Orders, Market Pegged Orders, and orders not eligible to trade in the current trading session on the Exchange Book;

(2) maintain all other resting orders in the Exchange Book at their last working price and display price;

(3) accept and process all cancellations;

(4) process a request to cancel and replace as a cancellation without replacing the order;

(5) accept and route new Market Orders, Primary Only MOO/LOO Orders, Primary Only Day Orders, and Primary Only MOC/LOC Orders to the primary listing market; and

(6) reject all other incoming order instructions until the security begins trading on the Exchange pursuant to paragraph (a) of this Rule.

(c) Halts in Exchange Traded Products.

(1) Trading Halts for UTP Exchange Traded Products.

(A) Early Trading Session. If a UTP Exchange Traded Product begins trading on the Exchange in the Early Trading Session and subsequently a temporary interruption occurs in the calculation or wide dissemination of the Intraday Indicative Value ("IIV") or the value of the underlying index, as applicable, to such UTP Exchange Traded Product, by a major market data vendor, the Exchange may continue to trade the UTP Exchange Traded Product for the remainder of the Early Trading Session.

(B) Core Trading Session. During the Core Trading Session, if a temporary interruption occurs in the calculation or wide dissemination of the applicable IIV or value of the underlying index by a major market data vendor and the listing market halts trading in the UTP Exchange Traded Product, the Exchange, upon notification by the primary listing market of such halt due to such temporary interruption, also shall immediately halt trading in the UTP Exchange Traded Product on the Exchange.

(C) Late Trading Session and Next Business Day's Early Session.

(1) If the IIV or the value of the underlying index continues not to be calculated or widely available after the close of the Core Trading Session, the Exchange may trade the UTP Exchange Traded Product in the Late Trading Session only if the listing market traded such securities until the close of its regular trading session without a halt.

(2) If the IIV or the value of the underlying index continues not to be calculated or widely available as of the commencement of the Early Trading Session on the next business day, the Exchange shall not commence trading of the UTP

Exchange Traded Product in the Early Trading Session that day. If an interruption in the calculation or wide dissemination of the IIV or the value of the underlying index continues, the Exchange may resume trading in the UTP Exchange Traded Product only if calculation and wide dissemination of the IIV or the value of the underlying index resumes or trading in the UTP Exchange Traded Product resumes in the primary listing market.

## **Section 2. Reserved**

## **Section 3. Exchange Trading**

### **Rule 7.29. Access**

(a) General. The Exchange will be available for entry and execution of orders by Participants with authorized access. To obtain authorized access to the Exchange, each Participant must enter into a User Agreement.

### **Rule 7.30. Authorized Traders**

(a) A Participant shall maintain a list of ATs who may obtain access to the Exchange on behalf of the Participant. The Participant shall update the list of ATs as necessary. Participants must provide the list of ATs to the Exchange upon request.

(b) A Participant must have reasonable procedures to ensure that all ATs comply with the trading Rules and procedures related to the Exchange and all other Rules of the Exchange.

(c) A Participant must suspend or withdraw a person's status as an AT if the Exchange has determined that the person has caused the Participant to fail to comply with the Rules of the Exchange and the Exchange has directed the Participant to suspend or withdraw the person's status as an AT.

(d) A Participant must have reasonable procedures to ensure that the ATs maintain the physical security of the equipment for accessing the facilities of the Exchange to prevent the improper use or access to the systems, including unauthorized entry of information into the systems.

### **Rule 7.31. Orders and Modifiers**

#### **(a) Primary Order Types**

(1) Market Order. An unpriced order to buy or sell a stated amount of a security that is to be traded at the best price obtainable without trading through the NBBO. A Market Order must be designated Day and will be rejected on arrival or cancelled if resting if there is no contra-side NBBO. Unexecuted Market Orders are ranked Priority 1 - Market Orders.

(A) On arrival, a Market Order to buy (sell) is assigned a working price of the NBO (NBB) and will trade with all sell (buy) orders on the Exchange Book priced at or below (above) the NBO (NBB) before routing to the NBO (NBB) on an Away Market. The quantity of a Market Order to buy (sell) not traded or routed will remain undisplayed on the Exchange Book at a working price of the NBO (NBB) and be eligible to trade with incoming sell (buy) orders at that price. When the updated NBO (NBB) is displayed, the Market Order to buy (sell) will be assigned a new working price of the updated NBO (NBB) and will trade with all sell (buy) orders on the Exchange Book priced at or below (above) the updated NBO (NBB) before routing to the updated NBO (NBB) on an Away Market. Such assessment will continue at each new contra-side NBBO until the order is filled or a Trading Collar is reached. If the NBBO becomes locked or crossed while the order is held undisplayed, the Market Order to buy (sell) will be assigned a working price of the NBB (NBO).

(B) Trading Collar. During Core Trading Hours, a Market Order to buy (sell) will not trade or route to an Away Market at a price at or above (below) the Trading Collar. Trading Collars will not apply to Limit Orders.

(i) Calculation of the Trading Collar. The Trading Collar will be based on a price that is the greater of \$0.15 or a specified percentage away from the consolidated last sale price and it will be continuously updated based on market activity. The specified percentage is equal to the corresponding "numerical guideline" percentage set forth in Rule 7.10(c)(1) (Clearly Erroneous Executions) for the Core Trading Session. The upper boundary of the Trading Collar is the consolidated last sale price increased by the greater of \$0.15 or the specified percentage rounded down to the MPV for the security, and the lower boundary is the consolidated last sale price decreased by the greater of \$0.15 or the specified percentage rounded down to the MPV for the security. A halt, suspension, or pause in trading will zero out the Trading Collar values, and the Trading Collar will be recalculated with the first consolidated last sale after trading resumes. If there is no consolidated last sale price on the same trading day, the Exchange will use the last Official Closing Price for the security.

(ii) If a Trading Collar is triggered, the unexecuted quantity of a Market Order to buy (sell) will be held undisplayed and assigned a working price one MPV below (above) the Trading Collar. The Market Order to buy (sell) will be available to trade with incoming orders to sell (buy) at that working price but will not trade with interest on the Exchange Book or route until (i) additional opportunities to trade consistent with the Trading Collar restriction become available, either on the Exchange or an Away Market, or (ii) a new Trading Collar is calculated and the remaining quantity of the order(s) is then able to trade or route at prices consistent with the new Trading Collar and NBBO.

(2) Limit Order. An order to buy or sell a stated amount of a security at a specified price or better. Unless otherwise specified, the working price and the display price

of a Limit Order equal the limit price of the order, it is eligible to be routed, and it is ranked Priority 2 - Display Orders.

(A) A marketable Limit Order to buy (sell) will trade with all sell (buy) orders on the Exchange Book priced at or below (above) the PBO (PBB) before routing to the PBO (PBB) and may route to prices higher (lower) than the PBO (PBB) only after trading with orders to sell (buy) on the Exchange Book at each price point. Once no longer marketable, the Limit Order will be ranked and displayed on the Exchange Book.

(B) Limit Order Price Protection. A Limit Order to buy (sell) will be rejected if it is priced at or above (below) the greater of \$0.15 or a specified percentage away from the NBO (NBB). The specified percentage is equal to the corresponding “numerical guideline” percentage set forth in paragraph (c)(1) of Rule 7.10(c)(1) (Clearly Erroneous Executions) for the Core Trading Session. The Limit Order Price Protection will not be applied to an incoming Limit Order to buy (sell) if there is no NBO (NBB). Limit Order Price Protection will be applied when an order is eligible to trade. A Limit Order entered before the Core Trading Session that is designated for the Core Trading Session only will become subject to Limit Order Price Protection once it becomes eligible to trade. Limit Order Price Protection for both buy and sell orders that are not in the minimum price variation (“MPV”) for the security, as defined in Rule 7.6, will be rounded down to the nearest price at the applicable MPV.

(C) If a BB (BO) that is locked or crossed by an Away Market PBO (PBB) is cancelled, executed or routed and the next best-priced resting Limit Order(s) on the Exchange Book that would become the new BB (BO) would have a display price that would lock or cross the PBO (PBB), such Limit Order(s) to buy (sell) will be assigned a display price one MPV below (above) the PBO (PBB) and a working price equal to the PBO (PBB). When the PBO (PBB) is updated, the Limit Order(s) to buy (sell) will be repriced consistent with the original terms of the order. If a Day ISO to buy (sell) arrives before the PBO (PBB) is updated, such repriced Limit Order(s) to buy (sell) will be repriced to the lower (higher) of the display price of the Day ISO or the original price of the Limit Order(s).

(3) Inside Limit Order. A Limit Order that is to be traded at the best price obtainable without trading through the NBBO.

(A) On arrival, a marketable Inside Limit Order to buy (sell) is assigned a working price of the NBO (NBB) and will trade with all sell (buy) orders on the Exchange Book priced at or below (above) the NBO (NBB) before routing to the NBO (NBB) on an Away Market. Once the NBO (NBB) is exhausted, the Inside Limit Order to buy (sell) will be displayed at its working price and be eligible to trade with incoming sell (buy) orders at that price. When the updated NBO (NBB) is displayed, the Inside Limit Order to buy (sell) will be assigned a new working price of the updated NBO (NBB) and will trade with all sell (buy) orders on the



Exchange Book priced at or below the updated NBO (NBB) before routing to the updated NBO (NBB) on an Away Market. Such assessment will continue at each new NBO (NBB) until the order is filled, no longer marketable, or the limit price is reached. Once the order is no longer marketable, it will be ranked and displayed in the Exchange Book.

(B) An Inside Limit Order designated as a Primary Until 9:45 Order or a Primary After 3:55 Order will follow the order processing of an Inside Limit Order only when the order is on the Exchange Book.

(C) An Inside Limit Order may not be designated as a Limit IOC Order but may be designated as a Limit Routable IOC Order. An Inside Limit Order to buy (sell) designated as a Limit Routable IOC Order will trade with sell (buy) orders on the Exchange Book priced at or below (above) the NBO (NBB) and the quantity not traded will be routed to the NBO (NBB). Any unfilled quantity not traded on the Exchange or an Away Market will be cancelled.

(b) Time in Force Modifiers

(1) Day Modifier. Any order to buy or sell designated Day, if not traded, will expire at the end of the designated session on the day on which it was entered. A Day Modifier cannot be combined with any other Time in Force Modifier.

(2) Immediate-or-Cancel ("IOC") Modifier. A Limit Order may be designated IOC or Routable IOC, as described in paragraphs (A) and (B) of this paragraph (b)(2). The IOC Modifier will override any posting or routing instructions of orders that include the IOC Modifier.

(A) Limit IOC Order. A Limit Order designated IOC is to be traded in whole or in part on the Exchange as soon as such order is received, and the quantity not so traded is cancelled. A Limit IOC Order does not route.

(B) Limit Routable IOC Order. A Limit Order designated Routable IOC is to be traded in whole or in part on the Exchange as soon as such order is received, and the quantity not so traded routed to Away Market(s). Any quantity not immediately traded either on the Exchange or an Away Market will be cancelled.

(c) Auction-Only Order. A Limit or Market Order that is only to be routed to the primary listing market pursuant to Rule 7.34(c).

(1) A Limit-on-Open Order ("LOO Order"). A LOO Order is a Limit Order that is to be traded only during an opening or re-opening auction of the primary listing market.

(2) A Market-on-Open Order ("MOO Order"). A MOO Order is a Market Order that is to be traded only during an opening or re-opening auction of the primary listing

market.

(3) Limit-on-Close Order ("LOC Order"). A LOC Order is a Limit Order that is to be traded only during a closing auction of the primary listing market.

(4) Market-on-Close Order ("MOC Order"). A MOC Order is a Market Order that is to be traded only during a closing auction of the primary listing market.

(d) Orders with a Conditional or Undisplayed Price and/or Size

(1) Reserve Order. A Limit or Inside Limit Order with a quantity of the size displayed and with a reserve quantity of the size ("reserve interest") that is not displayed. The displayed quantity of a Reserve Order is ranked Priority 2 - Display Orders and the reserve interest is ranked Priority 3 - Non-Display Orders. Both the display quantity and the reserve interest of an arriving marketable Reserve Order are eligible to trade with resting interest in the Exchange Book or route to Away Markets.

(A) On entry, the display quantity of a Reserve Order must be entered in round lots. The displayed portion of a Reserve Order will be replenished when the display quantity is decremented to below a round lot. The replenish quantity will be the minimum display size of the order or the remaining quantity of the reserve interest if it is less than the minimum display quantity.

(B) Each time the display quantity of a Reserve Order is replenished from reserve interest, a new working time is assigned to the replenished quantity (each display quantity with a different working time is a "child" order), while the reserve interest retains the working time of original order entry.

(i) When a Reserve Order is replenished from reserve interest and already has two child orders that equal less than a round lot, the child order with the later working time will rejoin the reserve interest and be assigned the new working time assigned to the next replenished quantity.

(ii) If the Reserve Order is not routable, the replenish quantity will be assigned a display and working price consistent with the instructions for the order.

(C) A Reserve Order must be designated Day and may be combined with the following orders only: Non-Routable Limit Order or Primary Pegged Order.

(D) A routable Reserve Order will be evaluated for routing both on arrival and each time the display quantity is replenished.

(i) If routing is required, the Exchange will route from reserve interest before publishing the display quantity. If after routing there is less than a round lot available to display, the Exchange will wait until the routed quantity returns (executed or unexecuted) before publishing the display quantity.

(ii) Any quantity of a Reserve Order that is returned unexecuted will join the working time of the reserve interest. If there is no reserve interest to join, the returned quantity will be assigned a new working time as reserve interest. In either case, such reserve interest will replenish the display quantity as provided for in paragraphs (d)(1)(A) and (B) of this Rule.

(E) A request to reduce the size of a Reserve Order will cancel the reserve interest before cancelling the display quantity and if there is more than one child order, the child order with the later working time will be cancelled first.

(2) Non-Displayed Limit Order. A Limit Order that is not displayed and does not route. A Limit Non-Displayed Order is ranked Priority 3 - Non-Display Orders. A Non-Displayed Limit Order must be designated Day and is valid for any trading session.

(A) The working price of a Non-Displayed Limit Order will be adjusted both on arrival and when resting on the Exchange Book based on the limit price of the order. If the limit price of a Non-Displayed Limit Order to buy (sell) is at or below (above) the PBO (PBB), it will have a working price equal to the limit price. If the limit price of a Non-Displayed Limit Order to buy (sell) is above (below) the PBO (PBB), it will have a working price equal to the PBO (PBB).

(B) A Non-Displayed Limit Order may be designated with a Non-Display Remove Modifier. If so designated, a Non-Displayed Limit Order to buy (sell) will trade as the liquidity-taking order with an incoming ALO Order to sell (buy) that has a working price equal to the working price of the Non-Displayed Limit Order.

(3) Mid-Point Liquidity Order ("MPL Order"). A Limit Order that is not displayed and does not route, with a working price at the midpoint of the PBBO. An MPL Order is ranked Priority 3- Non-Display Orders. MPL Orders are valid for any session.

(A) An MPL Order to buy (sell) must be designated with a limit price in the MPV for the security and is eligible to trade only if the midpoint of the PBBO is at or below (above) the limit price of the order.

(B) If there is no PBB, PBO, or the PBBO is locked or crossed, both an arriving and resting MPL Order will wait for a PBBO that is not locked or crossed before being eligible to trade. If a resting MPL Order(s) to buy (sell) trades with MPL Order(s) to sell (buy) after there is an unlocked or uncrossed PBBO, the MPL Order with the later working time will be the liquidity-removing order.

(C) An Aggressing MPL Order to buy (sell) will trade with resting orders to sell (buy) with a working price at or below (above) the midpoint of the PBBO at the working price of the resting orders. Resting MPL Orders to buy (sell) will trade at the midpoint of the PBBO against all Aggressing Orders to sell (buy) priced at or below (above) the midpoint of the PBBO. An incoming Limit Order may be designated with a "No Midpoint Execution" modifier, in which case the incoming

Limit Order will not trade with resting MPL Orders and may trade through MPL Orders.

(D) An MPL Order may be designated IOC (“MPL-IOC Order”). Subject to such IOC instructions, an MPL-IOC Order will follow the same trading and priority rules as an MPL Order, except that an MPL-IOC Order will be rejected if (i) the order entry size is less than one round lot, or (ii) there is no PBBO or the PBBO is locked or crossed. An MPL-IOC Order cannot be designated ALO or with a Non-Display Remove Modifier.

(E) An MPL Order may be designated with an ALO Modifier (“MPL-ALO Order”).

(i) An Aggressing MPL-ALO Order to buy (sell) will trade with resting orders to sell (buy) with a working price below (above) the midpoint of the PBBO at the working price of the resting orders, but will not trade with resting orders to sell (buy) priced at the midpoint of the PBBO unless such resting order is designated with a Non-Display Remove Modifier pursuant to paragraph (d)(3)(F) of this Rule.

(ii) If an MPL-ALO Order to buy (sell) cannot trade with a same-priced resting order to sell (buy), a subsequently arriving order to sell (buy) eligible to trade at the midpoint will trade ahead of a resting order to sell (buy) that is not displayed at that price. If such resting order to sell (buy) is displayed, the MPL-ALO Order to buy (sell) will not be eligible to trade at that price.

(F) MPL Orders designated Day and MPL-ALO Orders may be designated with a Non-Display Remove Modifier. On arrival, an MPL Order or MPL-ALO Order to buy (sell) with a Non-Display Remove Modifier will trade with resting MPL Orders to sell (buy) priced at the midpoint of the PBBO and be the liquidity taker, regardless of whether the resting order to sell (buy) also has a Non-Display Remove Modifier. A resting MPL Order or MPL-ALO Order with a Non-Display Remove Modifier will be the liquidity taker when trading with arriving MPL Orders, including MPL-ALO Orders, that do not include a Non-Display Remove Modifier.

(4) Tracking Order. An order to buy (sell) with a limit price that is not displayed, does not route, must be entered in round lots and designated Day, and will trade only with an order to sell (buy) that is eligible to route. The working price of a Tracking Order to buy (sell) is the PBB (PBO), provided that such price is at or below (above) the limit price of the Tracking Order, it is ranked Priority 4- Tracking Orders, and it may trade in odd lot or mixed lot quantities. A Tracking Order is not eligible to trade if the PBBO is locked or crossed.

(A) A Tracking Order to buy (sell) does not trade on arrival and is triggered to trade by an order to sell (buy) that (i) has exhausted all other interest eligible to trade at the Exchange, (ii) has a remaining quantity equal to or less than the size of a

resting Tracking Order, and (iii) would otherwise route to an Away Market. A Tracking Order will trade with the entire unexecuted quantity of the contra-side order, not just the quantity being routed.

(B) Each time a Tracking Order is traded in part, any remaining quantity of the Tracking Order will be assigned a new working time. A Tracking Order with a later working time will trade ahead of a Tracking Order with an earlier working time that does not meet the size requirement of an incoming order.

(e) Orders with Instructions Not to Route

(1) Non-Routable Limit Order. A Limit Order that does not route.

(A) A Non-Routable Limit Order to buy (sell) that, at the time of entry and after trading with any sell (buy) orders in the Exchange Book priced at or below (above) the PBO (PBB), would create a violation of Rule 610(d) of Regulation NMS by locking or crossing the protected quotation of an Away Market or would cause a violation of Rule 611 of Regulation NMS, will be priced as follows:

(i) It will have a working price of the PBO (PBB) of an Away Market and a display price one MPV below (above) that PBO (PBB).

(ii) If the PBO (PBB) of an Away Market re-prices higher (lower), it will be assigned a new working price of the updated PBO (PBB) and a new display price of one MPV below (above) that updated PBO (PBB).

(iii) If the PBO (PBB) of an Away Market re-prices to be equal to or lower (higher) than its last display price, its display price will not change, but the working price will be adjusted to be equal to its display price.

(iv) If its limit price no longer locks or crosses the PBO (PBB) of an Away Market, it will be assigned a working price and display price equal to its limit price and will not be assigned a new working price or display price based on changes to the PBO (PBB).

(B) A Non-Routable Limit Order with a working price different from the display price is ranked Priority 3-Non-Display Orders and a Non-Routable Limit Order with a working price equal to the display price is ranked Priority 2-Display Orders.

(C) A Non-Routable Limit Order may be designated with a Non-Display Remove Modifier. If so designated, a Non-Routable Limit Order to buy (sell) with a working price, but not display price, equal to the working price of an ALO Order to sell (buy) will trade as the liquidity taker against such ALO Order.

(2) ALO Order. A Non-Routable Limit Order that, except as specified below, will not

remove liquidity from the Exchange Book. Upon entry, an ALO Order must have a minimum of one displayed round lot.

(A) An ALO Order will be assigned a working price and display price pursuant to paragraph (e)(2)(B) of this Rule.

(B) An ALO Order to buy (sell) that, at the time of entry, is marketable against an order of any size to sell (buy) on the Exchange Book or would lock or cross a protected quotation in violation of Rule 610(d) of Regulation NMS, will be priced or trade, or both as follows:

(i) If there are no displayed or non-displayed orders to sell (buy) on the Exchange Book priced equal to or below (above) the PBO (PBB), the ALO Order to buy (sell) will have a working price equal to the PBO (PBB) and a display price one MPV below (above) the PBO (PBB).

(ii) If the limit price of the ALO Order to buy (sell) crosses the working price of any displayed or non-displayed order on the Exchange Book priced equal to or below (above) the PBO (PBB), it will trade as the liquidity taker with such order(s). Any untraded quantity of the ALO Order will have a working price equal to the PBO (PBB) and a display price one MPV below (above) the PBO (PBB).

(iii) If the limit price of the ALO Order to buy (sell) locks the display price of any order ranked Priority 2 - Display Orders on the Exchange Book priced equal to or below (above) the PBO (PBB), it will be assigned a working price and display price one MPV below (above) the price of the displayed order on the Exchange Book.

(iv) If the limit price of the ALO Order to buy (sell) locks the working price of any order ranked Priority 3 - Non-Display Orders on the Exchange Book priced equal to or below (above) the PBO (PBB), it will be assigned a working price equal to the PBO (PBB) and a display price one MPV below (above) the PBO (PBB), provided that,

(a) if there are any displayed orders at the working price of an order to sell (buy) ranked Priority 3 - Non-Display Orders, the ALO Order to buy (sell) will be priced under paragraph (e)(2)(B)(iii) of this Rule; and

(b) if the resting order(s) is a Non-Displayed Limit Order or Non-Routable Limit Order to sell (buy) that has been designated with a Non-Display Remove Modifier, the ALO Order will trade with such order(s) as the liquidity provider. Unless a resting order is designated with a Non-Display Remove Modifier, an ALO Order will trade only with arriving interest.

(v) An ALO Order to buy (sell) will not be assigned a working price or display

price above (below) the limit price of such order.

(C) Once resting on the Exchange Book, ALO Orders will be re-priced or trade, or both, as follows:

(i) If the order(s) to sell (buy) ranked Priority 2 - Display Orders or PBO (PBB) re-prices higher (lower), an ALO Order to buy (sell) will trade or be priced, or both, consistent with paragraphs (e)(2)(B)(i) - (iv) of this Rule.

(ii) If the PBO (PBB) re-prices lower (higher) to be equal to or lower (higher) than its last display price or if its limit price no longer locks or crosses the PBO (PBB), an ALO Order to buy (sell) will be priced pursuant to paragraphs (e)(1)(A)(iii) and (iv) of this Rule.

(D) An ALO Order will not trigger a contra-side MPL Order to trade.

(3) Intermarket Sweep Order (“ISO”). A Limit Order that does not route and meets the requirements of Rule 600(b)(30) of Regulation NMS.

(A) An ISO may trade through a protected bid or offer, and will not be rejected or cancelled if it would lock, cross, or be marketable against an Away Market provided that it meets the following requirements:

(i) It is identified as an ISO in the manner prescribed by the Exchange; and

(ii) Simultaneously with the routing of an ISO to the Exchange, the Participant routes one or more additional Limit Orders, as necessary, to trade against the full displayed size of any protected bids (for sell orders) or protected offers (for buy orders) on Away Markets. These additional routed orders must be identified as ISO.

(B) An ISO designated IOC (“IOC ISO”) will be immediately traded with contra-side interest in the Exchange Book up to its full size and limit price and the quantity not so traded will be immediately and automatically cancelled.

(C) An ISO designated Day (“Day ISO”), if marketable on arrival, will be immediately traded with contra-side interest in the Exchange Book up to its full size and limit price. Any untraded quantity of a Day ISO will be displayed at its limit price and may lock or cross a protected quotation that was displayed at the time of arrival of the Day ISO.

(D) A Day ISO may be designated with an ALO Modifier (“Day ISO ALO”) and must be entered with a minimum of one displayed round lot. An arriving Day ISO ALO to buy (sell) may trade through or lock or cross a protected quotation that was displayed at the time of arrival of the Day ISO ALO, and will be priced or trade, or both, as follows:

- (i) If the limit price of the Day ISO ALO to buy (sell) crosses the working price of any displayed or non-displayed order on the Exchange Book, it will trade as the liquidity taker with such order(s). Any untraded quantity of the Day ISO ALO will have a working price and display price equal to its limit price.
- (ii) If the limit price of the Day ISO ALO to buy (sell) locks the display price of any order ranked Priority 2 - Display Orders on the Exchange Book, it will be assigned a working price and display price one MPV below (above) the price of the displayed order on the Exchange Book.
- (iii) If the limit price of the Day ISO ALO Order to buy (sell) locks the working price of any order ranked Priority 3 - Non-Display Orders on the Exchange Book, it will be assigned a working price and display price equal to the limit price of the order, provided that,
  - (a) if there are any displayed orders at the working price of an order to sell (buy) ranked Priority 3 - Non-Display Orders, the Day ISO ALO to buy (sell) will be priced under paragraph (e)(3)(D)(ii) of this Rule; and
  - (b) if the resting order(s) is a Non-Displayed Limit Order or Non-Routable Limit Only Order to sell (buy) that has been designated with a Non-Display Remove Modifier, the Day ISO ALO will trade with such order(s) as the liquidity provider.
- (iv) After being displayed, a Day ISO ALO will be re-priced and re-displayed or trade, or both, based on changes to orders ranked Priority 2 - Display Orders or the PBO (PBB) consistent with paragraphs (e)(2)(C)(i) and (ii) of this Rule.

(f) Orders with Specific Routing Instructions

- (1) Primary Only Order. A Market or Limit Order that on arrival is routed directly to the primary listing market without being assigned a working time or interacting with interest on the Exchange Book. A Primary Only Order must be designated for the Core Trading Session. The primary listing market will validate whether the order is eligible to be accepted by that market and if the primary listing market rejects the order, the order will be cancelled.
- (A) Primary Only MOO/LOO Order. A Primary Only Order designated for participation in the primary listing market's opening or re-opening process as a MOO or LOO Order.
- (B) Primary Only Day/IOC Order. A Primary Only Order designated Day or IOC, but not ISO. A Primary Only Day Order may be designated as a Reserve Order. A Primary Only Day/IOC Order will be routed to an Away Market as a non-routable order, and will remain at the Away Market until executed or cancelled. A Primary Only Day/IOC Order in NYSE-, NYSE Area-, and NYSE American-listed



securities may include an instruction to be routed to NYSE, NYSE Arca, or NYSE American as a routable order, in which case such order would remain at the NYSE, NYSE Arca, or NYSE American until executed, routed away, or cancelled.

(C) Primary Only MOC/LOC Order. A Primary Only Order designated for participation in the primary listing market's closing process as a MOC or LOC Order.

(2) Primary Until 9:45 Order. A Limit or Inside Limit Order that, on arrival and until 9:45 a.m. Eastern Time, routes to the primary listing market. After 9:45 a.m. Eastern Time, the order is cancelled on the primary listing market and entered on the Exchange Book. The Primary Until 9:45 Order must be designated Day. Orders that return to the Exchange Book after routing to the primary listing market will retain their original order attributes and be assigned a working time based on when the order is returned from the primary listing market and entered on the Exchange Book. A Primary Until 9:45 Order can be combined with a Primary After 3:55 Order.

(3) Primary After 3:55 Order. A Limit or Inside Limit Order entered on the Exchange until 3:55 p.m. Eastern Time after which time the order is cancelled on the Exchange and routed to the primary listing market. The Primary After 3:55 Order must be designated Day. Orders that route to the primary listing market at 3:55 pm Eastern Time will retain their original order attributes.

(g) Cross Orders. Two-sided orders with instructions to match the identified buy-side with the identified sell-side at a specified price (the "cross price"). A Cross Order must trade in full at its cross price, does not route, and may be designated with non-regular way settlement instructions. A Cross Order entered by an Institutional Broker may represent interest of one or more Participants and may be executed as agent or principal.

(1) Limit IOC Cross Order. A Cross Order that will be rejected under the following circumstances:

(A) the cross price would trade through the PBBO;

(B) the cross price is not between the BBO, unless it meets Cross with Size requirements, in which case the cross price may be equal to the BB (BO); or

(C) there is no PBB or PBO or if the PBBO is locked or crossed.

(2) Qualified Contingent Trade ("QCT") Cross Order. A Cross Order that is part of a transaction consisting of two or more component orders that qualifies for a Contingent Order Exemption under Rule 7.37(f)(5).

(A) A QCT Cross Order will be rejected if the cross price is not between the BBO, unless it meets Cross with Size requirements, in which case the cross price can be

equal to the BB (BO).

(B) QCT Cross Orders are available to Institutional Brokers only.

(3) Cross With Size. A Cross Order with a cross price equal to the BB (BO) will trade at that price if such Cross Order:

(A) is at least 5,000 shares of the same security with a total value of at least \$100,000; and

(B) is larger than the largest order displayed on the Exchange Book at the BB (BO).

(h) Pegged Orders. A Limit Order that does not route with a working price that is pegged to a dynamic reference price. If the designated reference price is higher (lower) than the limit price of a Pegged Order to buy (sell), the working price will be the limit price of the order.

(1) Market Pegged Order. A Pegged Order to buy (sell) with a working price that is pegged to the PBO (PBB). A Market Pegged Order to buy (sell) will be rejected on arrival, or cancelled when resting, if there is no PBO (PBB) against which to peg.

(A) Market Pegged Orders are not displayed and are ranked Priority 3 - Non-Display Orders.

(B) If the PBBO is locked or crossed, both an arriving and resting Market Pegged Order will wait for a PBBO that is not locked or crossed before the working price is adjusted and the order becomes eligible to trade.

(C) A Market Pegged Order to buy (sell) may include an offset value that will set the working price below (above) the PBO (PBB) by the specified offset, which may be specified up to two decimals.

(2) Primary Pegged Order. A Pegged Order to buy (sell) with a working price that is pegged to the PBB (PBO), with no offset allowed. A Primary Pegged Order to buy (sell) will be rejected on arrival, or cancelled when resting, if there is no PBB (PBO) against which to peg.

(A) A Primary Pegged Order must include a minimum of one round lot displayed. The working price of a Primary Pegged Order equals the display price and the display quantity is ranked Priority 2 - Display Orders and the reserve interest is ranked Priority 3 - Non-Display Orders.

(B) A Primary Pegged Order will be rejected if the PBBO is locked or crossed. If the PBBO is locked or crossed when the display quantity of a Primary Pegged Reserve Order is replenished, the entire order will be cancelled. If after arrival, the PBBO becomes locked or crossed, the Primary Pegged Order will wait for a

PBBO that is not locked or crossed before the working price is adjusted, but remains eligible to trade at its current working price, provided that, if a resting Limit Order on the Exchange Book is assigned a new display price and working price pursuant to Rule 7.31(a)(2)(C) and the PBBO is still locked or crossed, a resting Primary Pegged Order will also be assigned a new display price and working price pursuant to Rule 7.31(a)(2)(C).

(3) Reserved

(i) Additional Order Instructions and Modifiers:

(1) Proactive if Locked/Crossed Modifier. A Limit Order or Inside Limit Order that is displayed and eligible to route and designated with a Proactive if Locked/Crossed Modifier will route to an Away Market if the Away Market locks or crosses the display price of the order. If any quantity of the routed order is returned unexecuted, the order will be displayed in the Exchange Book.

(2) Self Trade Prevention Modifier (“STP”). Any incoming order to buy (sell) designated with an STP modifier will be prevented from trading with a resting order to sell (buy) also designated with an STP modifier and from the same MPID. The STP modifier on the incoming order controls the interaction between two orders marked with STP modifiers.

(A) STP Cancel Newest (“STPN”). An incoming order to buy (sell) marked with the STPN modifier will not trade with resting interest to sell (buy) marked with any of the STP modifiers from the same MPID. The incoming order marked with the STPN modifier will be cancelled back to the originating Participant. The resting order marked with one of the STP modifiers will remain on the Exchange Book.

(B) STP Cancel Oldest (“STPO”). An incoming order to buy (sell) marked with the STPO modifier will not trade with resting interest to sell (buy) marked with any of the STP modifiers from the same MPID. The resting order marked with the STP modifier will be cancelled back to the originating Participant. The incoming order marked with the STPO modifier will remain on the Exchange Book.

(C) STP Decrement and Cancel (“STPD”). An incoming order to buy (sell) marked with the STPD modifier will not trade with resting interest to sell (buy) marked with any of the STP modifiers from the same MPID. If both orders are equivalent in size, both orders will be cancelled back to the originating Participant. If the orders are not equivalent in size, the equivalent size will be cancelled back to the originating Participant and the larger order will be decremented by the size of the smaller order with the balance remaining on the Exchange Book.

(D) STP Cancel Both (“STPC”). An incoming order to buy (sell) marked with the STPC modifier will not trade with resting interest to sell (buy) marked with any of the STP modifiers from the same MPID. The entire size of both orders will be

cancelled back to originating Participant.

(3) Minimum Trade Size (“MTS”) Modifier. A Limit IOC Order, Non-Displayed Limit Order, MPL Order, or Tracking Order may be designated with an MTS Modifier.

(A) An MTS must be a minimum of a round lot. An order with an MTS Modifier will be rejected if the MTS is less than a round lot or if the MTS is larger than the size of the order.

(B) A Participant must specify one of the following instructions with respect to how an order with an MTS Modifier will trade at the time of entry:

(i) An order to buy (sell) with an MTS Modifier will trade with sell (buy) orders in the Exchange Book that in the aggregate meet such order’s MTS; or

(ii) An order to buy (sell) with an MTS Modifier will trade with individual sell (buy) order(s) in the Exchange Book that each meets such order’s MTS.

(C) An order with an MTS Modifier that is designated Day and cannot be satisfied on arrival will not trade and will be ranked in the Exchange Book. In such case, the order to buy (sell) with an MTS Modifier that is ranked in the Exchange Book will not be eligible to trade:

(i) at a price equal to or above (below) any sell (buy) orders that are displayed and that have a working price equal to or below (above) the working price of such order with an MTS Modifier; or

(ii) at a price above (below) any sell (buy) orders that are not displayed and that have a working price below (above) the working price of such order with an MTS Modifier.

(D) An order with an MTS Modifier that is designated IOC and cannot be immediately satisfied will be cancelled in its entirety.

(E) A resting order to buy (sell) with an MTS Modifier will trade with individual sell (buy) order(s) that each meets the MTS.

(i) If an Aggressing Order to sell (buy) order does not meet the MTS of the resting order to buy (sell) with an MTS Modifier, that Aggressing Order will not trade with and may trade through such order with an MTS Modifier.

(ii) If a resting non-displayed sell (buy) order did not meet the MTS of a same-priced resting order to buy (sell) with an MTS Modifier, a subsequently arriving sell (buy) order that meets the MTS will trade ahead of a resting non-displayed sell (buy) order at that price.

(F) A resting order with an MTS Modifier will be cancelled if it is traded in part or reduced in size and the remaining quantity is less than such order's MTS.

**Commentary:**

.01 Order Type and Modifier Combinations. Participant Users may combine order types and modifiers, unless the terms of the proposed combination are inconsistent.

.02 If two order types are combined that include instructions both for operation on arrival and for how the order operates while resting on the Exchange Book, the instructions governing functionality while incoming will be operative upon arrival. Functionality governing how the order operates while resting on the Exchange Book will govern any remaining balance of the order that is not executed upon arrival.

**Rule 7.32. Order Entry**

Orders entered that are greater than five million shares in size will be rejected, provided that the Exchange will accept Cross Orders up to 25 million shares. Upon at least 24 hours advance notice to market Participants, the Exchange may decrease the maximum order size on a security-by-security basis.

**Rule 7.33. Capacity Codes**

Consistent with Rules of the Exchange, Participant Users of the Exchange shall input accurate information into the Exchange, including, but not limited to, whether the Participant is acting in a principal, agency, or riskless principal capacity for each order entered. Proprietary orders accepted by the Exchange from Participants are subject to the same display and execution processes as agency orders.

**Rule 7.34. Trading Sessions**

(a) Sessions. The Exchange will have three trading sessions each day the Exchange is open for business unless otherwise determined by the Exchange:

(1) Early Trading Session. The Early Trading Session will begin at 7:00 a.m. and conclude at the commencement of the Core Trading Session. The Exchange will begin accepting orders 30 minutes before the Early Trading Session begins.

(2) Core Trading Session. The Core Trading Session will begin for each security at 9:30 a.m. and end at the conclusion of Core Trading Hours.

(3) Late Trading Session. The Late Trading Session will begin following the conclusion of the Core Trading Session and conclude at 8:00 p.m..

(b) Order Designation.

(1) Any order entered into the Exchange must include a designation for which trading session(s) the order will remain in effect and orders without a trading session designation will be rejected. An order is eligible to participate in the designated trading session(s) only and may remain in effect for one or more consecutive trading sessions on a particular day. Unless otherwise specified, an order designated for a later trading session will be accepted but not eligible to trade until the designated trading session begins. An order designated solely for a trading session that has already ended will be rejected.

(c) Orders Permitted in Each Session.

(1) Early Trading Session. Unless otherwise specified in paragraphs (c)(1)(A) - (E), orders and modifiers defined in Rule 7.31 that are designated for the Early Trading Session are eligible to participate in the Early Trading Session.

(A) Market Orders and Pegged Orders are not eligible to participate in the Early Trading Session. Market Orders and Pegged Orders that include a designation for the Early Trading Session will be rejected. Market Pegged Orders, regardless of the session designated for the order, may not be entered before or during the Early Trading Session and will be rejected.

(B) Reserved.

(C) Limit Orders designated IOC and Cross Orders entered before or during the Early Trading Session and designated for the Core Trading Session will be rejected if entered before the Core Trading Session.

(D) Market Orders designated for the Core Trading Session and Auction-Only Orders will be routed to the primary listing market on arrival. Any order routed directly to the primary listing market on arrival will be cancelled if that market is not accepting orders.

(E) MOO Orders, MOC Orders, LOC Orders, and Primary Only Orders designated for the Early Trading Session will be rejected.

(F) Non-Displayed Limit Orders, MPL Orders, and Tracking Orders entered before the Early Trading Session will be rejected.

(2) Core Trading Session. Unless otherwise specified in paragraphs (c)(2)(A) - (B), all orders and modifiers defined in Rule 7.31 that are designated for the Core Trading Session are eligible to participate in the Core Trading Session.

(A) Market Orders will be routed to the primary listing market until the first opening print of any size on the primary listing market or 10:00 a.m. Eastern Time, whichever is earlier.

(B) Auction-Only Orders will be accepted and routed directly to the primary listing market.

(C) Limit Orders designated IOC and Cross Orders entered before or during the Core Trading Session and designated for the Late Trading Session will be rejected if entered before the Late Trading Session.

(3) Late Trading Session. Unless otherwise specified in paragraph (c)(3)(A) - (C), the orders and modifiers defined in Rule 7.31 that are designated for the Late Trading Session are eligible to participate in the Late Trading Session:

(A) Market Orders and Pegged Orders are not eligible to participate in the Late Trading Session. Market Orders and Pegged Orders that include a designation for the Late Trading Session will be rejected.

(B) Orders that are routed directly to the primary listing market on arrival will be cancelled if that market is not accepting orders.

(C) MOO Orders, MOC Orders, LOC Orders, and Primary Only Orders designated for the Late Trading Session will be rejected.

(d) *Customer Disclosures.* No Participant may accept an order from a non-Participant for execution in the Early or Late Trading Session without disclosing to such non-Participant that:

(1) Limit Orders are the only orders that are eligible for execution during the Early and Late Trading Sessions;

(2) An order must be designated specifically for trading in the Early and/or Late Trading Session to be eligible for trading in the Early and/or Late Trading Session; and

(3) Extended hours trading involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, unlinked markets, an exaggerated effect from news announcements, wider spreads and any other relevant risk. The absence of an updated underlying index value or intraday indicative value is an additional trading risk in extended hours for Exchange Traded Products. The disclosures required pursuant to this subparagraph (d)(3) may take the following form or such other form as provides substantially similar information:

(A) Risk of Lower Liquidity. Liquidity refers to the ability of market Participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market

hours. As a result, your order may only be partially executed, or not at all.

(B) Risk of Higher Volatility. Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

(C) Risk of Changing Prices. The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

(D) Risk of Unlinked Markets. Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.

(E) Risk of News Announcements. Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(F) Risk of Wider Spreads. The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

(G) Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV"). For certain Exchange Traded Products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. Since the underlying index value and IIV are not calculated or widely disseminated during the Early and Late Trading Sessions, an investor who is unable to calculate implied values for certain Exchange Traded Products in those sessions may be at a disadvantage to market professionals.

(e) Trades on the Exchange executed and reported outside of the Core Trading Session are designated as .T trades.

**Rule 7.35. Reserved**



**Rule 7.36. Order Ranking and Display****(a) Definitions for purposes of Rule 7 Equities Trading:**

- (1) “Display price” means the price at which a Limit Order is displayed, which may be different from the limit price or working price of the order.
- (2) “Limit price” means the highest (lowest) specified price at which a Limit Order to buy (sell) is eligible to trade.
- (3) “Working price” means the price at which an order is eligible to trade at any given time, which may be different from the limit price or display price of the order.
- (4) “Working time” means the effective time sequence assigned to an order for purposes of determining its priority ranking.
- (5) “Aggressing Order” means a buy (sell) order that is or becomes marketable against sell (buy) interest on the Exchange Book. A resting order may become an Aggressing Order if its working price changes, if the PBBO or NBBO is updated, because of changes to other orders on the Exchange Book, or when processing inbound messages.

**(b) Display.** The Exchange displays all non-marketable Limit Orders, unless the order or modifier instruction specifies that all or a portion of the order is not to be displayed.

- (1) An order is considered displayed for ranking purposes if the price, side, and size of the order are disseminated via a market data feed. Odd-lot sized Limit Orders and the displayed portion of a Reserve Orders are considered displayed for ranking purposes.
- (2) Except as otherwise permitted by Rule 7.7, all non-marketable displayed Limit Orders will be displayed on an anonymous basis.
- (3) The best-ranked non-marketable displayed Limit Order(s) to buy and the best ranked non-marketable displayed Limit Order(s) to sell in the Exchange Book and the aggregate displayed size of such orders associated with such prices will be collected and made available to quotation vendors for dissemination pursuant to the requirements of Rule 602 of Regulation NMS under the Exchange Act. If non-marketable odd-lot sized orders at multiple price levels can be aggregated to equal at least a round lot, such odd-lot sized orders will be displayed as the best ranked displayed orders to sell (buy) at the least aggressive price at which such odd-lot sized orders can be aggregated to equal at least a round lot.

**(c) Ranking.** All non-marketable orders are ranked and maintained in the Exchange Book according to price-time priority in the following manner: (1) price; (2) priority category; (3) time; and (4) ranking restrictions applicable to an order or modifier condition.

(d) Price. All orders are ranked based on the working price of an order. Orders to buy are ranked from highest working price to lowest working price. Orders to sell are ranked from lowest working price to highest working price. If the working price of an order changes, the price priority of the order changes.

(e) Priority Categories. At each price point, all orders are assigned a priority category. If at a price point there are no orders in a priority category, the next priority category has first priority.

(1) Priority 1 - Market Orders. Unexecuted Market Orders have priority over all other same-side orders with the same working price.

(2) Priority 2 - Display Orders. Non-marketable Limit Orders with a displayed working price have second priority.

(3) Priority 3 - Non-Display Orders. Non-marketable Limit Orders for which the working price is not displayed, including reserve interest of Reserve Orders, have third priority.

(4) Priority 4 - Tracking Orders. Tracking Orders have fourth priority.

(f) Time. Within each priority category, orders are ranked based on time priority.

(1) An order is assigned a working time based on its original entry time, which is the time when an order is first placed in the Exchange Book.

(A) An order that is fully routed to an Away Market on arrival is not assigned a working time unless and until any unexecuted portion of the order returns to the Exchange Book.

(B) For an order that is partially routed to an Away Market on arrival, the portion that is not routed is assigned a working time. If any unexecuted portion of the order returns to the Exchange Book and joins any remaining resting portion of the original order, the returned portion of the order is assigned the same working time as the resting portion of the order. If the resting portion of the original order has already executed and any unexecuted portion of the order returns to the Exchange Book, the returned portion of the order is assigned a new working time.

(2) An order is assigned a new working time any time the working price of an order changes.

(3) An order is assigned a new working time if the size of an order increases. An order retains its working time if the size of the order is decreased.

(4) An order retains its working time if the order marking is changed from: (A) sell to sell short; (B) sell to sell short exempt; (C) sell short to sell; (D) sell short to sell

short exempt; (E) sell short exempt to sell; and (F) sell short exempt to sell short.

(g) Ranking Restrictions. The Exchange will enforce ranking restrictions applicable to specific order or modifier instructions as provided for in Rule 7.31.

### **Rule 7.37. Order Execution and Routing**

(a) Order Execution. An incoming marketable order will be matched for execution against contra-side orders in the Exchange Book according to the price-time priority ranking of the resting orders, subject to the following.

- (1) Orders that are routed to an Away Market on arrival will not be assigned a working time or matched for execution on the Exchange Book.
- (2) Unless an order qualifies for an exception from the Order Protection Rule in Rule 611 of Regulation NMS, an order will not trade at prices that trade through a protected quotation.
- (3) Limit Orders will be executed at prices that are equal to or better than the PBBO.
- (4) Market Orders and Inside Limit Orders will be executed at prices that are equal to or better than the NBBO.

(b) Routing. Unless an order has an instruction not to route, after being matched for execution with any contra-side orders in the Exchange Book pursuant to paragraph (a) of this Rule, marketable orders will be routed to Away Market(s).

- (1) An order that cannot meet the pricing parameters of paragraph (a) of this Rule may be routed to Away Market(s) before being matched for execution against contra-side orders in the Exchange Book.
- (2) If an order with an instruction not to route would trade through or lock or cross a protected quotation and is not eligible for an exception to Rule 610 or 611 of Regulation NMS, it will cancel, re-price, or be held undisplayed on the Exchange Book, as provided for in Rule 7.31.
- (3) Orders eligible to route will be routed to all available Away Markets unless the order includes an instruction to bypass Away Markets that are not displaying protected quotations.
- (4) Limit Orders that are routed to Away Market(s) may be routed to more than one price level, up (down) to the limit price of an order to buy (sell).
- (5) Except for orders routed to the primary listing market on arrival pursuant to Rule 7.34 or designated to route to the primary listing market pursuant to Rule 7.31, orders routed to Away Market(s) will be sent as IOC ISOs.

(6) Any order or portion thereof that has been routed is not eligible to trade on the Exchange Book, unless all or a portion of the order returns unexecuted.

(7) Requests to cancel an order that has been routed will be processed as follows:

(A) For orders that are eligible to be matched for execution against orders in the Exchange Book, the request to cancel will not be processed unless and until all or a portion of the order returns unexecuted.

(B) For orders routed to the primary listing market on arrival pursuant to Rule 7.34 or designated to route to the primary listing market pursuant to Rule 7.31, the request to cancel will be routed to the primary listing market.

(C) For MOC Orders or LOC Orders in NYSE-listed securities, requests to cancel or reduce in size that are electronically entered after the “Closing Auction Imbalance Freeze Time” specified in NYSE Rule 7.35(a)(7) will be rejected.

(8) An order marked "short" when a short sale price test restriction is in effect will not be routed.

(c) After executing with eligible contra-side interest on the Exchange Book and/or returning unexecuted after routing to an Away Market(s), any unexecuted non-marketable portion of an order will be ranked consistent with Rule 7.36.

(d) Use of Data Feeds. The Exchange uses the following data feeds for the handling, execution, and routing of orders, as well as for regulatory compliance:

<u>Market Center</u>	<u>Primary Source</u>	<u>Secondary Source</u>
<u>Cboe BZX Exchange, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>Cboe BYX Exchange, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>Cboe EDGA Exchange, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>Cboe EDGX Exchange, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>Investors' Exchange, LLC</u>	<u>SIP Data Feed</u>	<u>n/a</u>

<u>Nasdaq BX, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>Nasdaq PHLX LLC</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>The Nasdaq Stock Market LLC</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>New York Stock Exchange LLC</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>NYSE American LLC</u>	<u>SIP Data Feed</u>	<u>n/a</u>
<u>NYSE Arca, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>
<u>NYSE National, Inc.</u>	<u>Direct Feed</u>	<u>SIP Data Feed</u>

(1) The Exchange receives data feeds directly from broker dealers for purposes of routing interest to Away Markets that are not displaying protected quotations.

(e) Locking or Crossing Quotations in NMS Stocks.

(1) Definitions. For purposes of this Rule, the following definitions shall apply:

(A) The term Crossing Quotation shall mean the display of a bid for an NMS Stock during regular trading hours at a price that is higher than the Best Protected Offer for such NMS Stock, or the display of an offer for an NMS Stock during regular trading hours at a price that is lower than the Best Protected Bid for such NMS Stock.

(B) The term Locking Quotation shall mean the display of a bid for an NMS Stock during regular trading hours at a price that equals the Best Protected Offer for such NMS Stock, or the display of an offer for an NMS Stock during regular trading hours at a price that equals the Best Protected Bid for such NMS Stock.

(2) Prohibition. Except for quotations that fall within the provisions of paragraph (e)(3) of this Rule, the Exchange and members of the Exchange shall reasonably avoid displaying, and shall not engage in a pattern or practice of displaying, any quotations that lock or cross the PBBO.

(3) Locked or Crossed Market Exceptions. The prohibition against Locking and Crossing Quotations in paragraph (e)(2) of this Rule will not apply when:

(A) The Locking or Crossing Quotation was displayed at a time when the Trading Center displaying the locked or crossed quotation was experiencing a failure,

material delay, or malfunction of its systems or equipment;

(B) The Locking or Crossing Quotation was displayed at a time when the Best Protected Bid was higher than the Best Protected Offer in the NMS Stock; or

(C) The Locking or Crossing Quotation was an Automated Quotation, and the Participant displaying such Automated Quotation simultaneously routed an ISO to execute against the full displayed size of any locked or crossed Protected Quotation.

(f) Exceptions to the Order Protection Rule

(1) Self-Help Exception. The self-help exception will apply to any trade-through of a Protected Quotation displayed by a Trading Center that is experiencing a failure, material delay, or malfunction of its systems or equipment. In these instances, Protected Quotations may be bypassed by:

(A) notifying the non-responding Trading Center immediately after (or at the same time as) electing self-help; and

(B) following the established Exchange policies and procedures for electing the self-help exception.

(2) Intermarket Sweep Order Exception.

(A) The Exchange will accept ISO orders to be executed in the Exchange Book against orders at the Exchange's best bid or best offer without regard to whether the execution would trade through another market's Protected Quotation.

(B) If an ISO is marked as "Immediate-or-Cancel," any portion of the order not executed upon arrival will be automatically cancelled. If an ISO is not marked as "Immediate-or-Cancel," any balance of the order will be displayed by the Exchange without regard to whether that display would lock or cross another market center if the User has complied with Rule 7.37(e)(3)(C).

(3) Reserved.

(4) Benchmark Trades. the Exchange may execute volume-weighted average price ("VWAP") orders, as well as other types of orders that are not priced with reference to the quoted price of the NMS Stock at the time of execution and for which the material terms were not reasonably available at the time the commitment to execute the order was made. Benchmark Trades may not trade through the Exchange Book.

(5) Contingent Order Exemption. Transactions qualifying as "Contingent Trades" may trade-through both Manual and Protected Quotes. Transactions executed under this exemption may not trade through the Exchange BBO. A "Qualified Contingent

Trade is a transaction consisting of two or more component orders, executed as agent or principal, where:

- (A) at least one component order is in an NMS Stock;
- (B) all components are effected with a product or price contingency that either has been agreed to by the respective counterparties or arranged for by a broker-dealer as principal or agent;
- (C) the execution of one component is contingent upon the execution of all other components at or near the same time;
- (D) the specific relationship between the component orders (e.g., the spread between the prices of the component orders) is determined at the time the contingent order is placed;
- (E) the component orders bear a derivative relationship to one another, represent different classes of shares of the same issuer, or involve the securities of participants in mergers or with intentions to merge that have been announced or since cancelled; and
- (F) the Exempted NMS Stock Transaction is fully hedged (without regard to any prior existing position) as a result of the other components of the contingent trade.

### **Rule 7.38. Odd and Mixed Lots**

(a) Order Types. Rule 7.31 specifies whether an order may not be entered as an odd lot or mixed lot.

(b) Ranking and Execution. Round lot, mixed lot and odd lot orders are treated in the same manner in the Exchange, provided that:

(1) The working and display price of an odd lot order will be adjusted both on arrival and when resting on the Exchange Book as follows:

- (A) If the limit price of an odd lot order to buy (sell) is at or below (above) the PBO (PBB), it will have a working and display price equal to the limit price.
- (B) If the limit price of an odd lot order to buy (sell) is above (below) the PBO (PBB), it will have a working price equal to the PBO (PBB). The display price will also be adjusted to the PBO (PBB) unless the order's instruction requires a display price that is different from the PBBO.
- (C) If the PBBO is locked or crossed and the limit price of an odd lot order to buy (sell) is above (below) the PBO (PBB), it will have a working and display price

equal to the PBB (PBO). The working and display price of such odd lot order will not be adjusted again until the PBBO unlocks or uncrosses.

(2) For an order that is partially routed to an Away Market on arrival, if any returned quantity of the order joins resting odd-lot quantity of the original order and the returned and resting quantity, either alone or together with other odd-lot orders, would be displayed as a new BBO, both the returned and resting quantity will be assigned a new working time.

**Rule 7.39. Reserved.**

**Rule 7.40. Trade Execution and Reporting**

Executions occurring as a result of orders matched against the Exchange Book shall be reported by the Exchange to an appropriate consolidated transaction reporting system. Executions occurring as a result of orders routed away from the Exchange shall be reported to an appropriate consolidated transaction reporting system by the relevant reporting market center. The Exchange shall promptly notify Participants of all executions of their orders as soon as such executions take place.

**Section 4. Operation of Routing Broker**

**Rule 7.45. Operation of Routing Broker**

(a) The term "Routing Broker" shall mean the broker-dealer affiliate of the Exchange and/or any other non-affiliate third-party broker-dealer that acts as a facility of the Exchange for routing orders entered into Exchange systems to other market centers for execution whenever such routing is required by the Rules of the Exchange and federal securities laws. The Routing Brokers will operate as described in this Rule 7.45.

(b) Outbound Routing Function

(1) (A) The Routing Broker(s) will receive routing instructions from the Exchange, to route orders to other market centers and report such executions back to the Exchange. Except as provided in paragraph (b)(1)(B) below, the Routing Broker(s) cannot change the terms of an order or the routing instructions, nor does the Routing Broker(s) have any discretion about where to route an order.

(B) In the sole discretion of the Routing Broker(s), pursuant to risk management controls and supervisory procedures maintained by the Routing Broker(s) pursuant to SEC Rule 15c3-5, the Routing Broker(s) may reject any order or series of orders as necessary to manage the financial, regulatory, and other risks of the Routing Brokers(s) providing "market access," as that term is defined in SEC Rule 15c3-5(a)(1).

(2) The broker-dealer affiliate of the Exchange that acts as a Routing Broker will not



engage in any business other than (a) the functions set forth in this Rule; and (b) any other activities it may engage in as approved by the Commission.

(3) The use of the Routing Broker(s) to route orders to another market center will be optional. Any Participant that does not want to use the Routing Broker(s) must enter an immediate-or-cancel order or any such other order type available on the Exchange that is not eligible for routing.

(4) All bids and offers entered on the Exchange routed to other market centers via the Routing Broker(s) that result in an execution shall be binding on the Participant that entered such bid and offer.

(5) The Exchange will regulate the Routing Broker(s) as a facility (as defined in Section 3(a)(2) of the Exchange Act), subject to Section 6 of the Exchange Act. In particular, and without limitation, under the Exchange Act, the Exchange will be responsible for filing with the Commission rule changes and fees relating to the functions performed by the Routing Broker(s) for the Exchange and will be subject to exchange non-discrimination requirements.

(6) The books, records, premises, officers, agents, directors and employees of the Routing Broker(s), as a facility of the Exchange, shall be deemed to be the books, records, premises, officers, agents, directors and employees of the Exchange for purposes of, and subject to oversight pursuant to, the Exchange Act. The books and records of the Routing Broker(s) as a facility of the Exchange shall be subject at all times to inspection and copying by the Exchange and the Commission.

(7) An SRO unaffiliated with the Exchange or any of its affiliates will carry out the oversight and enforcement responsibilities as the designated examining authority designated by the Commission pursuant to Rule 17d-1 of the Exchange Act with the responsibility for examining the Routing Broker(s) for compliance with the applicable financial responsibility rules.

(8) The Exchange shall establish and maintain procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and its facilities (including the non-affiliate third-party broker-dealer acting as a facility of the Exchange (“third-party Routing Facility”), and any other entity, including any affiliate of the third-party Routing Facility, and, if the third-party Routing Facility or any of its affiliates engage in any other business activities other than providing routing services to the Exchange, between the segment of the third-party Routing Facility or affiliate that provides the other business activities and the routing services.

(c) Inbound Routing Function

(1) For so long as the Exchange is affiliated with NYSE American LLC (“NYSE American”), NYSE Arca, Inc. (“NYSE Arca”), and New York Stock Exchange,

LLC (“NYSE”), NYSE National, Inc. (“NYSE National”) and Archipelago Securities LLC (“Arca Securities”) in its capacity as a facility of NYSE American, NYSE Arca, NYSE, and NYSE National is utilized for the routing of any approved types of orders from those exchanges to the Exchange (such function of Arca Securities is referred to as the “Inbound Router”), each of the Exchange and Arca Securities shall undertake as follows:

(A) The Exchange shall (1) maintain an agreement pursuant to Rule 17d-2 under the Exchange Act with a non-affiliated SRO to relieve the Exchange of regulatory responsibilities for Arca Securities with respect to rules that are common rules between the Exchange and the non-affiliated SRO, and (2) maintain a regulatory services agreement with a non-affiliated SRO to perform regulatory responsibilities for Arca Securities for unique Exchange rules.

(B) The regulatory services agreement described in Rule 7.45(c)(1)(A) shall require the Exchange and the non-affiliated SRO to monitor Arca Securities for compliance with the Exchange's trading rules, and collect and maintain all alerts, complaints, investigations and enforcement actions (collectively “Exceptions”) in which Arca Securities (in routing orders to the Exchange) is identified as a Participant that has potentially violated applicable Exchange or SEC rules. The Exchange and the non-affiliated SRO shall retain these records in an easily accessible manner. The regulatory services agreement described in Rule 7.45(c)(1)(A) shall require that the non-affiliated SRO provide a report, at least quarterly, to the Chief Regulatory Officer of the Exchange quantifying all Exceptions (of which the Exchange and the non-affiliated SRO become aware) in which Arca Securities is identified as a Participant that has potentially violated Exchange or SEC Rules.

(C) The Exchange, on behalf of the holding company owning both the Exchange and Arca Securities, shall establish and maintain procedures and internal controls reasonably designed to prevent Arca Securities from receiving any benefit, taking any action or engaging in any activity based on non-public information regarding planned changes to Exchange systems, obtained as a result of its affiliation with the Exchange, until such information is available generally to similarly situated Participants of the Exchange in connection with the provision of inbound order routing to the Exchange.

(D) The Exchange may furnish to Arca Securities the same information on the same terms that the Exchange makes available in the normal course of business to any other Participant.

(2) Provided the above conditions are complied with, and provided further that Arca Securities operates as an outbound router on behalf of NYSE American, NYSE Arca, NYSE, and NYSE National on the same terms and conditions as it does for the Exchange, and in accordance with the Rules of NYSE American, NYSE Arca, NYSE, and NYSE National, Arca Securities may provide inbound routing services

to the Exchange from NYSE American, NYSE Arca, NYSE and NYSE National.

(d) Cancellation of Orders and Error Account

(1) The Exchange or Arca Securities may cancel orders as either deems to be necessary to maintain fair and orderly markets if a technical or systems issue occurs at the Exchange, Arca Securities, or a routing destination. The Exchange or Arca Securities shall provide notice of the cancellation to affected Participants as soon as practicable.

(2) Arca Securities shall maintain an error account for the purpose of addressing positions that result from a technical or systems issue at Arca Securities, the Exchange, a routing destination, or a non-affiliate third-party Routing Broker that affects one or more orders (“error positions”).

(A) For purposes of this Rule 7.45(d), an error position shall not include any position that results from an order submitted by a Participant to the Exchange that is executed on the Exchange and processed pursuant to Article 21, Rule 1.

(B) Except as provided in Rule 7.45(d)(2)(C), Arca Securities shall not (i) accept any positions in its error account from an account of a Participant, or (ii) permit any Participant to transfer any positions from the Participant's account to Arca Securities' error account.

(C) If a technical or systems issue results in the Exchange not having valid clearing instructions for a Participant to a trade, Arca Securities may assume that Participant's side of the trade so that the trade can be processed pursuant to Rule 7.41(a).

(3) In connection with a particular technical or systems issue, Arca Securities or the Exchange shall either (i) assign all resulting error positions to Participants in accordance with subparagraph (A) below, or (ii) have all resulting error positions liquidated in accordance with subparagraph (B) below. Any determination to assign or liquidate error positions, as well as any resulting assignments, shall be made in a nondiscriminatory fashion.

(A) Arca Securities or the Exchange shall assign all error positions resulting from a particular technical or systems issue to the Participants affected by that technical or systems issue if Arca Securities or the Exchange:

(i) determines that it has accurate and sufficient information (including valid clearing information) to assign the positions to all of the Participants affected by that technical or systems issue;

(ii) determines that it has sufficient time pursuant to normal clearance and settlement deadlines to evaluate the information necessary to assign the

positions to all of the Participants affected by that technical or systems issue; and

(iii) has not determined to cancel all orders affected by that technical or systems issue in accordance with subparagraph (d)(1) above.

(B) If Arca Securities or the Exchange is unable to assign all error positions resulting from a particular technical or systems issue to all of the affected Participants in accordance with subparagraph (A) above, or if Arca Securities or the Exchange determines to cancel all orders affected by the technical or systems issue in accordance with subparagraph (d)(1) above, then Arca Securities shall liquidate the error positions as soon as practicable. Arca Securities shall:

(i) provide complete time and price discretion for the trading to liquidate the error positions to a third-party broker-dealer and shall not attempt to exercise any influence or control over the timing or methods of such trading; and

(ii) establish and enforce policies and procedures that are reasonably designed to restrict the flow of confidential and proprietary information between the third-party broker-dealer and Arca Securities/the Exchange associated with the liquidation of the error positions.

(4) Arca Securities and the Exchange shall make and keep records to document all determinations to treat positions as error positions and all determinations for the assignment of error positions to Participants or the liquidation of error positions, as well as records associated with the liquidation of error positions through the third-party broker-dealer.

## **RULE 8 Reserved**

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## **ARTICLE 1. Definitions and General Information**

### Rule 1. Definitions

Whenever and wherever used in these Rules, unless the context requires otherwise, the following terms shall have the respective meanings ascribed to them below, provided that paragraphs (a), (e), (f), (g), (k), (l), (o), (z), (bb), (cc), (dd), (jj), (kk), (nn), (pp), (qq), (tt), and (uu) are not applicable to trading on the Pillar trading platform:

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### Rule 2. Order Types, Modifiers, and Related Terms

*This Rule is not applicable to trading on the Pillar trading platform.*

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Rule 3. Time

*This Rule is not applicable to trading on the Pillar trading platform.*

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Rule 4. Exchange Use of the Securities Information Processors

*This Rule is not applicable to trading on the Pillar trading platform.*

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**ARTICLE 2. Committees**

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Rule 2. Committee on Exchange Procedure

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Notwithstanding the foregoing, and except as otherwise provided under Article 14, Rule 1, the Committee if it so determines may act through a subcommittee to perform any of its duties pursuant to the Rules of the Exchange or otherwise. A subcommittee shall be composed of not less than three (3) Participants of the Exchange appointed by the Chairman of the Committee, a majority of whom shall constitute a quorum. The Chairman of each subcommittee shall be a member of the full Exchange Procedure Committee. Except as provided in Article 20, Rule 10(d) or Rule 7.10(e), as applicable, any Participant adversely affected by a determination of a subcommittee regarding any matter may appeal to the full Committee within five days of receiving notice of its determination by making a written request therefore specifically stating the action complained of, the specific reasons why exception is taken thereto, and the relief sought. Any determination made by a subcommittee which is not specifically appealed as set forth herein shall be final. The determination of the Exchange Procedure Committee on appeal shall be final. Except as provided in Article 20, Rule 10(e) or Rule 7.10(e), as applicable, any action appealed shall be stayed until the appeal is decided.

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**ARTICLE 3. Participants and Participant Firms**

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Rule 21. Mandatory Participation Testing of Backup Systems

*This Rule is not applicable to trading on the Pillar trading platform.*

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**ARTICLE 4. Exchange Systems and Services**

*This Article is not applicable to trading on the Pillar trading platform.*

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[Rule 2. Connect

(a) Connect is an electronic communications service owned and operated by the Exchange which allows Participants to transmit orders and related transaction information in any approved security directly to any destination (such as an over-the-counter market maker or order-routing vendor) connected to the service without being submitted to the Exchange's trading facilities. As an alternative to private order routing systems or vendors, Participants may also elect to use Connect to transmit orders to the Exchange's Matching System and to its Institutional Brokers. Participants may designate where an order is to be directed on a security-by-security, or order-by-order basis. Instructions received on an order-by-order basis shall supersede previously-received instructions on a security-by-security basis. Use of the Connect service is subject to the approval of the Exchange.

(b) The fees and charges for a subscription to the Connect service are set forth in the Exchange's published Schedule of Fees and Assessments.]

**ARTICLE 5. Access to the Exchange**

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Rule 1. Access to Exchange Systems

*This Rule is not applicable to trading on the Pillar trading platform.*

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**ARTICLE 8. Business Conduct**

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Rule 17 Customer Disclosures

*This Rule is not applicable to trading on the Pillar trading platform.*

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## **ARTICLE 9. General Trading Rules**

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Rule 23. Short Sales

*This Rule is not applicable to trading on the Pillar trading platform.*

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## **ARTICLE 11. Participant Books and Records**

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Rule 3. Records of Orders and Executions by Certain Participants

*Paragraph (b)(8) of this Rule is not applicable to trading on the Pillar trading platform.*

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## **ARTICLE 12. Disciplinary Matters and Trial Proceedings**

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Rule 8. Minor Rule Violations

(a) – (g) Unchanged

(h) Exchange Rules and Policies subject to the Minor Rule Violation Plan:

(1) Unchanged

(2) Minor Trading Rule Violations:

(A) - (E) Unchanged

(F) Reserved[Failure to Clear the Matching System (Article 20, Rule 7)]

(G) Failure to Comply with Minimum Order Increments (Article 20, Rule 4 or Rule 7.6)

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(L) Institutional Broker Obligations in Handling Orders (Best

Execution) (Article 17, Rule 3(d))

(M) Short Sales (Rule 7.16)

(N) Failure to comply with Authorized Trader requirements (Rule 7.30)

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## **ARTICLE 16. Market Makers**

*This Article is not applicable to trading on the Pillar trading platform.*

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## **ARTICLE 17. Institutional Brokers**

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### **Rule 3. Responsibilities**

The responsibilities and duties of an Institutional Broker specifically include, but are not limited to, the following activities by or through an affiliated IBR:

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(b) *Handling of orders within an integrated system.* Each Institutional Broker must use an electronic system, acceptable to the Exchange, for the handling of orders that integrates the Institutional Broker's on-Exchange trading activities within the [Matching System]NYSE Chicago Marketplace with its trading activities in other market centers. Use of the Brokerplex<sup>®</sup> System as described in Rule 5 of this Article shall satisfy the provisions of this subsection.

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### **Rule 5. Brokerplex**

(a) *Description of System.* The Exchange provides the Brokerplex<sup>®</sup> trading system for use by Institutional Broker Representatives (“IBRs”), as defined in Rule 1 of this Article and the Interpretations and Policies thereto, who are affiliated with Institutional Brokers. Brokerplex is an order and trade entry, recordation and management system developed and operated by the Exchange for use by IBRs to receive, transmit and hold orders from their clients while seeking execution within the [Exchange] Matching System or NYSE Chicago Marketplace, as applicable, or elsewhere in the National Market System. Brokerplex can also be used to record trade executions and send transaction reports to a Trade Reporting Facility (“TRF”), as defined in FINRA Rules 6300 *et seq.*, as amended from time-to-time. Brokerplex can also be used by IBRs to initiate clearing submissions to a Qualified Clearing Agency via the Exchange’s reporting systems. Reports of orders,



executions and clearing submissions received, handled or submitted via Brokerplex are kept by the system.

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(c) *Order Types, Conditions and Instructions.*

(1) *Matching System Orders.* Brokerplex accepts and handles all of the order types, conditions and instructions accepted by the Matching System as specified in Article 20, Rule 4 or the NYSE Chicago Marketplace pursuant to Rule 7.31, as applicable, provided that the following order types and modifiers as defined under Rule 7.31 are not available via Brokerplex: Inside Limit Orders, Auction-Only Orders, MPL Orders, Tracking Orders, ISOs, Primary Only Orders, Primary Until 9:45 Orders, Primary After 3:55 Orders, Pegged Orders, Non-Display Remove Modifier, Proactive if Crossed Modifier, Self-Trade Prevention Modifier, and Minimum Trade Size Modifier. Orders may be entered into Brokerplex manually by an IBR, or submitted directly into Brokerplex by an Exchange-approved electronic connection.

(2) *Other Market Center Orders.* In addition to the order types accepted by the Matching System or NYSE Chicago Marketplace, as applicable, the Brokerplex system permits the entry and processing of certain order types, conditions and instructions accepted by other market centers.

(3) *Brokerplex Processed Orders.* In addition to the order types described in Section (c)(1) and (2) of this Rule, Brokerplex accepts and processes the following orders types, conditions and instructions as described below, provided that Quote@Exchange and Reprice@Exchange are not available on the Pillar trading platform.

(A) *Stock-Option Combination Order.* A combination order where at least one component is a cross order for a stated number of units of an underlying or related security coupled with the purchase or sale of options contract(s) on the opposite side of the market representing at least the same number of units as the underlying or related security portion of the order.

(B) *Stock-Future Combination Order.* A combination order where at least one component is a cross order for a stated number of units of an underlying or related security coupled with the purchase or sale of futures contract(s) on the opposite side of the market representing at least the same number of units of the underlying or related security portion of the order.

(C) Quote@Exchange. The Quote@Exchange order type allows the IBR to submit an order to be priced within Brokerplex at a defined limit price which is one minimum price increment (normally 1 cent for most securities) from the relevant side of the National Best Bid or Offer (“NBBO”). For buy orders, the relevant side of the NBBO is the offer; for sell orders it is the bid. An IBR handling a customer limit order must enter the limit price into Brokerplex as part of submitting a Quote@Exchange order. In pricing the Quote@Exchange, Brokerplex will reject any entries if the systematically-generated price would be outside the customer’s specified limit price. The Quote@Exchange order may not be transmitted to destinations other than the Matching System. The Matching System itself will not be eligible to receive this order type; rather, it will receive a standard limit order at a price generated by Brokerplex; and

~~[(B)]~~(D) Reprice@Exchange. The Reprice@Exchange order type allows a Brokerplex user to cancel an existing limit order residing in the Matching System and replace it with an order generated in the same manner as a Quote@Exchange order type. An IBR handling a customer limit order must enter the limit price into Brokerplex as part of submitting a Reprice@Exchange order. In pricing the Reprice@Exchange orders, Brokerplex will reject any entries if the systematically-generated price would be outside the customer’s specified limit price. The Reprice@Exchange order type may not be transmitted to destinations other than the Matching System. The Matching System itself will not be eligible to receive these order type; rather, it will receive a standard limit order at a price generated by Brokerplex.

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*(e) Order Handling and Transmission.* An IBR may use Brokerplex to send orders to the Exchange’s Matching System or the NYSE Chicago Marketplace, as applicable, another trading center connected to Brokerplex, or a systems provider which performs routing services.

(1) As directed by the IBR, Brokerplex will either (A) send orders that are eligible for submission to the Matching System under Article 20, Rule 4 or the NYSE Chicago Market Place pursuant to Rule 7.31, as applicable first to the Matching System or NYSE Chicago Marketplace, as applicable to execute or display and then, if they cannot be executed or displayed in the Matching System or NYSE Chicago Marketplace, as applicable, to another destination according to the IBR’s instructions; or (B) directly to another trading center designated by the user. Orders which are not eligible for submission to the Matching System or NYSE Chicago Marketplace, as applicable will be directly sent to another destination in accordance with the IBR’s instructions.

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**ARTICLE 19. Operation of the Routing Services**

*This Article is not applicable to trading on the Pillar trading platform.*

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**ARTICLE 20. Operation of the Matching System**

*Article 20, Rules 1 - 8, 10, and 12 - 13 are not applicable to trading on the Pillar trading platform.*

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**Rule 11. Cancellation or Adjustment of Stock Leg Trades**

(a) *Generally.* Unless otherwise expressly prohibited by the Exchange's rules, a trade representing the stock leg of a Stock-Option combination order, as defined under [Article 1, Rule 1(jj)]Article 17, Rule 5(c)(3)(A), or a Stock-Future combination order, as defined under [Article 1, Rule 1(kk)]Article 17, Rule 5(c)(3)(B), may be subject to cancellation or adjustment by the Exchange pursuant to this Rule, if the stock leg trade was marked by a special trade indicator when it was originally submitted to the Matching System. If the stock leg trade was not originally marked by a special trade indicator, the trade shall not be eligible for cancellation or adjustment, notwithstanding compliance with the other requirements of this Rule.

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**ARTICLE 22. Listed Securities**

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**Rule 6. Unlisted Trading Privileges**

*Paragraph (a)(3) of this Rule is not applicable to trading on the Pillar trading platform.*

(a) The Exchange may determine to extend unlisted trading privileges ("UTP") to an NMS Stock that is listed on another national securities exchange. Any such security traded on the Exchange pursuant to UTP will be subject to all Exchange trading rules applicable to NMS Stocks, unless otherwise noted. In addition, any new derivative securities product traded on the Exchange pursuant to UTP shall be subject to the additional following rules:

- (1) – (2) Unchanged

(3) *Trading Halts.*

(A) If a temporary interruption occurs in the calculation or wide dissemination of the Intraday Indicative Value (or a similar value) or the value of the underlying index or instrument and the listing market halts trading in the product, the Exchange, upon notification by the listing market of such halt due to such temporary interruption, also shall immediately halt trading in that product on the Exchange. If the Intraday Indicative Value (or a similar value), or the value of the underlying index or instrument continues not to be calculated or widely available as of the commencement of trading on the Exchange on the next business day, the Exchange shall not commence trading of the product that day. If an interruption in the calculation or wide dissemination of the Intraday Indicative Value (or a similar value), or the value of the underlying index or instrument continues, the Exchange may resume trading in the product only if calculation and wide dissemination of the Intraday Indicative Value (or a similar value), or the value of the underlying index or instrument resumes or trading in such series resumes in the listing market.

(B) For a new derivative securities product where a net asset value (and, in the case of managed fund shares or actively managed exchange-traded funds, a "disclosed portfolio") is disseminated, the Exchange will immediately halt trading in such security upon notification by the listing market that the net asset value and, if applicable, such disclosed portfolio is not being disseminated to all market participants at the same time. The Exchange may resume trading in the new derivative securities product only when trading in the new derivative securities product resumes on the listing market.

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