

**Exhibit 5**

Additions: Underlined

Deletions: **[Bracketed]**

[Brackets] contained in rule text: **{braces}**

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**Rule 13. Definitions of Orders**

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**Auto Ex Order**

(i) An auto ex order is an order in a security, other than a bond traded in the Automated Bond System® ( "ABS®"), that initiates an automatic execution in accordance with, and to the extent provided by, Exchange Rules 1000-1004, immediately upon entry into Exchange systems. The following are auto ex orders:

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[(e) the round lot portion of a part of round lot (PRL) market or marketable limit order;]

[(f)] (e) an auto ex order that has been cancelled and replaced with an auto ex order; or

[(g)] (f) an intermarket sweep order, as defined in this rule; or

[(h)] (g) an order entered pursuant to Subsection (G) of Section 11(a)(1) of the Securities Exchange Act of 1934.

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**Sell "Plus"—Buy "Minus" Order**

A market order to sell "plus" is a market order to sell a stated amount of a stock provided that the price to be obtained is not lower than the last sale if the last sale was a "plus" or "zero plus" tick, and is not lower than the last sale plus the minimum fractional change in the stock if the last sale was a "minus" or "zero minus" tick. A limited price order to sell "plus" would have the additional restriction of stating the lowest price at which it could be executed.

Sell "plus" limit orders and sell "plus" orders that are systemically delivered to the Display Book® will be eligible to be automatically executed in accordance with, and to the extent provided by, Exchange Rules 1000- 1004, consistent with the order's instructions.

A market order to buy "minus" is a market order to buy a stated amount of a stock provided that the price to be obtained is not higher than the last sale if the last sale was a "minus" or "zero minus" tick, and is not higher than the last sale minus the minimum fractional change in the stock if the last sale was a "plus" or "zero plus" tick. A limited price order to buy "minus" would have the additional restriction of stating the highest price at which it could be executed.

Buy "minus" limit orders and buy "minus" market orders that are systemically delivered to the Display Book® will be eligible to be automatically executed in accordance with, and to the extent provided by, Exchange Rules 1000- 1004, consistent with the order's instructions.

For purposes of this definition, a transaction that occurs in NYSE MatchPoint or the NYBX Facility shall not be considered in the operation of sell plus or buy minus orders on the Exchange (See Rule 1500 and Rule 1600).

Odd-lot sized transactions shall not be considered the last sale for purposes of executing sell "plus" or buy "minus" orders.

### **Stop Order**

A stop order to buy becomes a market order when a transaction in the security occurs at or above the stop price after the order is received into the Exchange's automated order routing system or is manually represented by a Floor broker in the Crowd. A stop order to sell becomes a market order when a transaction in the security occurs at or below the stop price after the order is received into the Exchange's automated order routing system or is manually represented by a Floor broker in the Crowd. Elected stop orders become market orders and will be eligible to be automatically executed in accordance with, and to the extent provided by, Exchange Rules 116.40, 123C and 1000- 1004.

Stop orders that would be elected by the price of the opening transaction on the Exchange will be included in the opening transaction as market orders.

Odd-lot size transactions shall not be considered transactions eligible to elect stop orders for execution.

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### **Rule 14. Non-Regular Way Settlement Instructions for Orders**

(a)(i) Bids and offers in securities admitted to dealings on the Exchange may be submitted with instructions that allow for settlement other than regular way (i.e., settlement on the third business day following trade date for securities other than U.S. Government Securities). These may be known as "non-regular way" settlement instructions.

(ii) Bids and offers in securities admitted to dealings on the Exchange submitted with instructions that allow for settlement other than regular way (i.e., non-regular way, as defined below) must be transmitted to a Floor broker for representation in the Exchange's market.

(b) Non-regular way settlement instructions are: (i) cash; (ii) next day; and (iii) seller's option.

(c) An order submitted with a cash settlement instruction requires delivery of the securities the same day as the trade date.

(d) An order submitted with a next day settlement instruction requires delivery of the securities on the first business day following the trade date.

(e) An order submitted with a seller's option settlement instruction require delivery any time period after trade date that is not less than two business days after trade date and not more than sixty days after trade date for securities as specified by the seller at the time of the transaction. In the case of U.S. government securities, delivery shall be any time period after trade date that is not less than two business days after trade date and no more than sixty days after trade date as specified by the seller at the time of the transaction.

(f) [Non-regular way settlement instructions are permitted only for round lot or partial round lot orders on the Exchange. (See Rule 124 (Odd-Lot Orders), paragraph .40(ii) concerning the execution of partial round lot orders with non-regular way settlement instructions.)

(g) ]Regular way settlement for U.S. Government Securities pursuant to Rule 66 requires delivery on the business day following the day of the trade.

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### **Rule 55. Unit of Trading—Stocks and Bonds**

The unit of trading in stocks shall be [100] one share[s]. Securities traded on the Exchange shall be quoted in round lots (generally 100 shares), except that in the case of certain stocks designated by the Exchange the [unit of trading] round lot shall be such lesser number of shares as may be determined by the Exchange, with respect to each stock so designated. Stocks designated with round lots of less than 100 shares shall be dealt in pursuant to the provisions of Rule 64. Odd-lots are orders for shares less than the applicable round lot. Part of a round lot (“PRL”) orders are orders in more than one round lot but not a multiple thereof (such as 175 shares). The unit of trading in bonds is set forth in Rule 86.

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### **Rule 56. Unit of Trading—Rights**

Except as otherwise designated by the Exchange, transactions in rights to subscribe shall be on the basis of one right accruing on each share of issued stock and the unit of trading in rights shall be one right and rights shall be quoted in denominations of 100 rights.

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## **Rule 60. Dissemination of Quotations**

### **(a)**

**(i)** For purposes of this rule, the terms " vendor", "bid", "offer", "NMS security", "quotation size", "published bid", "published offer", "published quotation size", "make publicly available", "aggregate quotation size" and "specified persons" shall have the meaning given to them in Section 242.602 ( "Rule 602") of Regulation National Market System ( "Reg. NMS"), 17 CFR Part 242 . A bid or offer may also be the aggregation of odd-lot orders the sum of which is equal to or greater than a round lot that will be quoted pursuant to the provision of Rule 55.

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## **Rule 61. Recognized Quotations**

[The recognized quotations shall be publicly announced bids and offers in lots of one trading unit or multiples thereof. Any bid or offer for an amount less than one trading unit shall have no standing in the trading crowd on the Floor and shall not be part of any recognized quotation. Bids and offers in other market centers which may be displayed on the Floor for the purposes of ITS or other purposes shall have no standing in the trading crowds on the Floor.]

### **Round lots, [—] Odd lots[-] and Part of Round Lot (“PRL”) [Stocks]**

#### **a. Bids and offers in securities.**

(i) All bids and offers for more than one trading unit are eligible for execution for the amount specified or for any lesser number of units.

(ii) Transactions in part of a round lot (“PRL”) amounts, i.e., orders in more than one round lot but not a multiple thereof (such as 175 shares), will be published to the Consolidated Tape and therefore elect "stop" orders and may qualify as a last sale.

(iii) A transaction of an amount less than one round lot shall not be published to the Consolidated Tape and does not qualify as a last sale.

#### **b. Bids and offers in bonds are governed by the provisions of Rule 86.**

[Bids or offers for less than the unit of trading shall specify the number of shares of stock covered by the bid or offer.]

**Round lots—Odd lots—Bonds**

See Rule 86.

**More than one unit**

All bids and offers for more than one trading unit shall be considered to be for the amount thereof or any lesser number of units.

••• *Supplementary Material:* -----

**.10 Less than trading unit.**—A transaction in an amount less than the unit of trading does not take bids or offers from the Floor.

**.20 More than trading unit—Uneven amounts.**—A transaction in more than the unit of trading but not a multiple thereof (such as 175 shares) takes bids and offers from the Floor, affects "stop" orders, may be published on the tape and in the sales sheet and is not considered a special transaction. A bid or offer for any such amount is considered to be either for the amount thereof or for lesser amounts in the unit of trading.

**.30** An order that includes one or more trading units and an amount less than one trading unit may be entered on an Exchange system for execution, but the amount that is less than one unit of trading shall be processed and executed by means of the Exchange's odd-lot pricing system and shall not be printed on the tape.

**.40 Special distributions.**—Nothing in this Rule shall preclude the effecting of transactions involving Special Offerings, Exchange and Secondary Distributions as specified in Rules 391, 392 and 393, and the printing of such transactions on the tape.]

**Rule 62. Variations**

Bids or offers in securities admitted to trading on the Exchange may be made in such variations as the Exchange shall from time to time determine and make known to its membership.

••• *Supplementary Material:* -----

**.10** The minimum price variation (MPV) for quoting and entry of orders in equity securities admitted to dealings on the Exchange shall be as follows:

**Price of Order or  
Interest**

**Minimum Price Variation**

Less Than \$1.00	\$ .0001
\$1.00 <u>or greater</u> [to 99,999.99]	\$.01
[\$100,000 or greater]	[\$.10]

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**Rule 65. Reserved.[Less Than 100-Share-Unit Stocks**

(a) Stocks having a unit of trading of less than 100 shares, not assigned by the Exchange for dealings by the use of cabinets as provided in Rule 85 {¶2085}, shall be dealt in as provided in Rule 64 {¶2064}.

(b) Anything contained in the Rules to the contrary notwithstanding, the following rule shall apply to deliveries of 100-share-unit stocks dealt in pursuant to this rule:

Unless otherwise directed by the Exchange, an odd lot of stock sold by an odd-lot dealer for his own account shall be delivered on the third business day following the day of the transaction, unless otherwise agreed.]

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**Rule 72. Priority of Bids and Offers and Allocation of Executions**

The provisions of this rule shall be in effect during a Pilot set to end on September 30, 2010.

**(a) Priority of First Bid or Offer**

(i) As used in this rule, the term "displayable" shall mean that portion of [non-marketable] interest that [would]could be published as, or as part of, the Exchange BBO. Displayable odd-lot orders will be published as part of the Exchange BBO if, when aggregated with other interest available for execution at that price point, the sum of the odd-lot order and other interest available at that price point would be equal to or greater than a round lot. The term "displayed interest" includes that part of an order that is published as, or as part of, the Exchange BBO, which may include one or more odd-lot orders.

(ii) When a bid or offer is established as the only displayable bid or offer made at a particular price and such bid or offer is the only displayable interest when such price is or becomes the Exchange BBO (the "setting interest"), such setting interest shall be entitled to priority for allocation of executions at that price as described in this rule, subject to the provisions below.

(A) Odd-lot orders, including aggregated odd-lot orders that are displayable, are not eligible to be setting interest.

**[(i)] (B)** If at the time [that] displayable interest of a round lot or greater becomes the Exchange BBO, there is [any] other displayable interest of a round lot or greater, including aggregated odd-lot orders that are equal to or greater than a round lot, at the price that becomes the Exchange BBO, no interest is considered to be a setting interest, and, therefore, there is no priority established.

**(C)** If at the time displayable interest of a round lot or greater becomes the Exchange BBO, there is other displayable interest, the sum of which is less than a round lot, at the price that becomes the Exchange BBO, the displayable interest of a round lot or greater will be considered the only displayable bid or offer at that price point and is therefore established as the setting interest entitled to priority for allocation of executions at that price as described in this rule.

**(D)** If executions decrement the setting interest to an odd-lot size, a round lot or PRL order that joins such remaining odd-lot size order is not eligible to be the setting interest.

**[(ii)] (E)** If as a result of cancellation, [any] interest is or becomes the single displayable interest of a round lot or greater at the Exchange BBO, it becomes the setting interest.

**[(iii)] (F)** Only the portion of setting interest that is or has been published in the Exchange BBO shall be entitled to priority allocation of an execution. That portion of setting interest that is designated as reserve interest and therefore not displayed at the Exchange BBO (or not displayable if it becomes the Exchange BBO) is not eligible for priority allocation of an execution irrespective of the price of such reserve interest or the time it is accepted into Exchange systems. However, if, following an execution of part or all of setting interest, such setting interest is replenished from any reserve interest, the replenished volume of such setting interest shall be entitled to priority if the setting interest is still the only interest at the Exchange BBO.

**[(vi)] (G)** If a non-pegging e-Quote is [a] the setting interest, it shall retain its priority even if joined at that price by a pegging e-Quote. (See Rule 70.26 - Pegging for e-Quotes and d-Quotes.) If, however, at the time non-pegging interest becomes the Exchange BBO, an e-Quote is pegging to such non-pegging interest, all such interest is considered to be entered simultaneously and, therefore, no interest is setting interest.

## **(b) Retention of Priority**

**(i)** Once priority is established by setting interest, such setting interest retains that priority for any execution at that price when that price is at the Exchange BBO. In the event that

executions decrement the setting interest to an odd-lot size, such remaining portion of the setting interest retains its priority for any execution at that price when that price is the Exchange BBO.

(ii) For any execution of setting interest that occurs when the price of the setting interest is not the Exchange BBO, the setting interest does not have priority and is executed on parity.

(iii) Priority of setting interest shall not be retained after the close of trading on the Exchange or following the resumption of trading in a security after a trading halt in such security has been invoked pursuant to Rule 123D or following the resumption of trading after a trading halt invoked pursuant to the provisions of Rule 80B. Priority of the setting interest is not retained on any portion of the priority interest that is routed to an away market and is returned unexecuted unless such priority interest is greater than a round lot and the only other interest at the price point is odd-lot orders, the sum of which is less than a round lot.

(c) Allocation of Executions

(i) An automatically executing order will trade first with the displayed bid (offer) and if there is insufficient displayed volume to fill the order, will trade next with reserve interest. All reserve interest will trade on parity.

(ii) For the purpose of share allocation in an execution, each single Floor broker, the DMM and orders collectively represented in Exchange systems (referred to herein as "Book Participant") shall constitute individual participants. The orders represented in the Book Participant in aggregate shall constitute a single participant and will be allocated shares among such orders by means of time priority with respect to entry.

(iii) In any execution at the Exchange BBO, a participant who has established priority as provided in (a) of this rule (i.e., is setting interest) shall receive fifteen percent (15%) of the volume of such executed amount or a minimum of one round lot, whichever is greater, until such setting interest has received a complete execution of its eligible priority interest. Setting interest that is decremented to an odd-lot size shall receive fifteen percent (15%) of the volume of such incoming interest rounded up to the size of the setting interest, or the size of the incoming interest, whichever is less. [The amount to be allocated will be rounded to the next higher round lot in the event the allocation results in an amount that is not already a round lot.]

(iv) Following the allocation of an execution to setting interest as provided in (c)(i) above, the remainder of the executed volume shall be allocated to each participant on parity. The participant with the priority interest (the setting interest) shall be included in such parity allocation.

Example for (c)(ii) and (iii):

Setting interest has 1,000 shares as the best bid of 20.05. There is an additional 600 shares of an e-Quote without priority at the same bid price. A market order to sell 500 shares arrives and is executed. The setting interest first receives 100 shares as its priority allocation (15% of 500 equals 75 shares, rounded up to 100 shares). The remainder of the execution is split on a parity basis between the two participants, with each receiving 200 shares. In total, the setting interest received 300 shares of the 500 share execution and the e-Quote received 200 shares.

(v) If there is no setting interest for an execution at the Exchange BBO, allocation of the executed volume shall be on parity by participant except as set forth in subparagraph (c)(xi) of this rule.

(vi) When an execution occurs at the Exchange BBO, interest that is displayed in the Exchange BBO shall be allocated before any interest that is not displayed. For purposes of this rule, "displayed" shall have the meaning as stated in subparagraph (a) above of this rule. [mean the number of shares of a security that is published as the Exchange BBO.]

(vii) In allocating an execution that involves setting interest, whether such execution takes place at the Exchange BBO or otherwise, the volume allocated to the setting interest shall be allocated to the interest in the setting interest that is entitled to priority first.

(viii) Shares will be allocated in round lots or the size of the order if less than a round lot. In the event the number of shares to be executed at a price point is insufficient to allocate round lots to all the participants eligible to receive an execution at that price point, or the size of the order if less than a round lot, Exchange systems shall create an allocation wheel of the eligible participants at that price point and the available round lot shares will be distributed to the participants in turn. If an odd-lot sized portion of the incoming order remains after allocating all eligible round lots, the remaining shares will be allocated to the next eligible participant in less than a round lot. (See Examples below.)

(A) On each trading day, the allocation wheel for each security is set to begin with the participant whose interest is entered or retained first on a time basis. Thereafter, participants are added to the wheel as their interest joins existing interest at a particular price point. If a participant cancels his, her or its interest and then rejoins, that participant joins as the last position on the wheel at that time.

### **Parity Example 1**

Assume there is interest of the Book Participant (representing orders entered by two different public customers), three Floor brokers and the DMM are bidding at the same price, with no participant having priority. An order to sell is received by the Exchange. Exchange systems will divide the allocations among the participants as follows:

Public Order #1 100 shares and Public Order #2 100 shares Book Participant  
Floor Broker 1 Participant A  
DMM Participant B  
Floor Broker 2 Participant C  
Floor Broker 3 Participant D

A market order for 300 shares to sell entered in Exchange systems will allocate 100 shares to the Book Participant (Public Order #1), Participant A and Participant B above. Subsequently, another order to sell 300 shares at the same price is received by Exchange systems. Those shares will be allocated to Participant C, Participant D, and Book Participant (Public Order #2).

(B) The allocation wheel will move to the next participant when an odd-lot allocation completely fills the interest of such participant.

**Parity Example 2**

Assume there is interest of the Book Participant (representing orders entered by two different public customers), three Floor brokers and the DMM are bidding at the same price, with no participant having priority. An order to sell is received by the Exchange. Exchange systems will divide the allocations among the participants as follows:

Public Order #1 100 shares and Public Order #2 100 shares Book Participant  
Floor Broker 1 Participant A 50 shares  
DMM Participant B 50 shares  
Floor Broker 2 Participant C 300 shares  
Floor Broker 3 Participant D 300 shares

A market order for 200 shares to sell entered in Exchange systems will allocate 100 shares to the Book Participant (Public Order #1), Participant A will receive 50 shares, Participant B above will receive 50 shares. Subsequently, another order to sell 300 shares at the same price is received by Exchange systems. Those shares will be allocated to Participant C, Participant D, and Book Participant ( Public Order #2).

**Parity Example 3**

Assume there is interest of the Book Participant (representing orders entered by two different public customers), three Floor brokers and the DMM are bidding at the same price, with no participant having priority. An order to sell is received by the Exchange. Exchange systems will divide the allocations among the participants as follows:

Public Order #1 100 shares and Public Order #2 100 shares Book Participant  
Floor Broker 1 Participant A 50 shares  
DMM Participant B 75 shares  
Floor Broker 2 Participant C 300 shares  
Floor Broker 3 Participant D 300 shares

A market order for 200 shares to sell entered in Exchange systems will allocate 100 shares to the Book Participant (Public Order #1), Participant A will receive 50 shares, Participant B above will receive 50 shares. Subsequently, another order to sell 300 shares at the same price is received by Exchange systems. The allocation wheel will start with Participant B. Participant B is allocated 25 shares, Participant C is allocated 100 shares, Participant D is allocated 100 shares, and Book Participant ( Public Order #2) is allocated 75 shares. Exchange systems will retain Book Participant (Public Order #2) as the participant eligible to receive the next allocation at that price point.

(C) The allocation wheel will also move to the next participant where Exchange systems execute remaining displayable odd-lot interest prior to replenishing the displayable quantity of a participant.

#### **Parity Example 4**

Assume the available bid interest on the Exchange consists of a single Book Participant and two Floor brokers listed below in order of their position on the allocation wheel none of the participants have priority.

Floor Broker 1 Participant A - 200 shares displayed and 4800 shares reserve  
Book Participant Public Order #1 Participant B - 500 shares displayed  
Floor Broker 2 Participant C - 500 shares displayed

An order to sell 350 shares is received by the Exchange. Exchange systems will divide the allocations among the participants as follows:

Participant A - 150 shares  
Book Participant - 100 shares  
Participant C - 100 shares

Each participant receives a round lot allocation. The Allocation wheel returns to Participant A as the first participant on the wheel and allocates the remaining 50 shares. The allocation wheel remains on

Participant A. The remaining interest of the three participants is as follows:

Floor Broker 1 Participant A - 50 shares displayed and 4800 shares reserve  
Book Participant Public Order #1 Participant B 400 shares displayed  
Floor Broker 2 Participant C 400 shares displayed

Prior to the system replenishing the displayed quantity of Participant A, an order to sell 100 shares is received by Exchange systems. The system will allocate 50 shares to Participants A and B. The next allocation at the price point will begin with Participant B.

(ix) When an execution occurs outside the Exchange BBO, the interest that is displayable will be allocated before any interest that is non-displayable (i.e. reserve interest). All interest that is displayable will be on parity among individual participants' displayable interest. All interest that is non-displayable will be on parity among individual participants' non-displayable interest.

(x) Incoming orders eligible for execution at price points between the Exchange BBO shall trade with all available interest at the price. All NYSE interest available to participate in the execution (e.g., d-quotes, s-quotes, Reserve Orders pursuant to Rule 13 and Capital Commitment Schedule interest (see Rule 1000)) will trade on parity.

(xi) DMM interest added intra day to participate in a verbal transaction with a Floor broker or during a slow quote, will be allocated shares only after all other interest eligible for execution at the price point are executed in full. DMM interest added at the time of the slow quote or when verbally trading with a Floor broker not executed during the transaction will be cancelled.

However, s-Quotes, if any, representing DMM interest present at the price point prior to the verbal transaction with a Floor broker or during a slow quote will receive an allocation on parity pursuant to the provisions of subparagraph (c)(v) of this rule above.

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## **Rule 92. Limitations on Members' Trading Because of Customers' Orders**

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d) The provisions of this Rule shall not apply to:

(1) any purchase or sale of any security in an amount of less than [the unit of trading made by an odd-lot dealer] a round lot to offset odd-lot orders for customers;

(2) any purchase or sale of any security upon terms for delivery other than those specified in such unexecuted market or limited price order;

(3) transactions by a member or member organization acting in the capacity of a specialist or market maker in a security listed on the Exchange otherwise than on the Exchange;

(4) transactions made to correct bona fide errors; and

(5) intermarket sweep orders sent as principal in compliance with Rules 600(b)(30)(ii) and 611(b)(6) of Regulation NMS ("ISO"), provided that the member organization yields its principal executions to any open customer orders that are required to be protected by Rule 92 and are capable of being filled, except if the member organization executed the ISO to facilitate a customer order at a price inferior to one or more protected quotations and that customer has consented to not receiving the better prices obtained by the ISO.

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#### **Rule 94. Designated Market Makers' or [Odd-Lot Dealers'] Interest in Joint Accounts**

(a) A DMM [or odd-lot dealer,] who conducts business [as an individual or] on behalf of a DMM unit, shall neither directly nor indirectly acquire or hold any interest or participation in any joint account for buying or selling on the Exchange, [or through ITS] or any other Application of the System, any stock in which such DMM [or odd-lot dealer] is registered, except a joint account in which [such individual or] such DMM unit is the participant (i) with a member or members who conduct business [as individual; ] or (ii) with a member organization.

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#### **[Specialists, Odd-Lot Brokers, and Registered Traders] Designated Market Makers' ("DMMs") and Member Organizations' Dealings on the Floor (Rules 99—114)**

#### **Rule 99. Reserved. [Round-Lot Transactions of Odd-Lot Dealer and Broker**

No odd-lot dealer shall effect while on the Floor of the Exchange purchases or sales of any security in which such odd-lot dealer is registered, for any account in which such odd-lot dealer or his or her DMM unit or any other member, or allied member in such organization is directly or indirectly interested, unless such dealings are reasonably necessary to permit the odd-lot dealer to act as such in such security, or, if also registered as a DMM in such security, to act as a DMM.

#### **Rule 99 Former. Round-Lot Transactions of Odd-Lot Dealer and Broker**

*This Rule is applicable only to those DMM member organizations and associated approved persons that have been approved for an exemption under Rule 98 (Former) and have not been approved to operate as a DMM unit under Rule 98. This Rule is not available for new entrants to become a DMM unit at the Exchange.*

No odd-lot dealer or his relief or associate odd-lot broker shall effect while on the Floor of the Exchange purchases or sales of any security in which such odd-lot dealer is registered, for any account in which such odd-lot dealer, his member organization or any other member, allied member, or approved person, in such organization is directly or indirectly interested, unless such dealings are reasonably necessary to permit the odd-lot dealer to act as such in such security, or, if also registered as a DMM in such security, to act as a DMM.]

**Rule 100. Reserved. [Round-Lot Transactions of Odd-Lot Dealer or Broker Affecting Odd-Lot Orders**

**(a) Transactions of DMM—Odd-Lot Dealer**

If an odd-lot dealer (including a DMM odd-lot dealer) anticipates selling a round lot as principal at a price below the last different round lot price (a minus or zero-minus tick), and has knowledge that because of the amount of odd-lot sell orders he holds at that price, he would become a buyer of an amount greater than one round lot on balance, prior approval to make such round lot sale is required of a Floor Official.

**(b)** Similarly, if an odd-lot dealer (Including a DMM odd-lot dealer) anticipates purchasing a round lot as principal at a price above the last different round lot price (a plus or zero-plus tick), and has knowledge that because of the amount of odd-lot buy orders he holds at that price, he would become a seller of an amount greater than one round lot on balance, prior approval to make such round lot purchase is required of a Floor Official.

**(c)** If unusual circumstances exist, such as unusual activity in a stock with a corresponding increase in the number of orders being received in the odd-lot and/or round lot market, and the need for the odd-lot dealer to effect an unusual number of transactions for his own account, the odd-lot dealer may obtain in advance from a Floor Official an exemption from the provisions of this rule for all or part of any trading session. A record should be kept of these circumstances and of the Floor Official approval.

**(d)** For purposes of this rule, the "last different round lot price" shall not include prices of transactions that occur in NYSE MatchPoint or the NYBX facility (See Rule 1500 and Rule 1600).]

**Rule 101. Reserved. [Registration of Odd-Lot Dealers and Brokers**

No member shall act as an odd-lot dealer or odd-lot broker on the Floor in a security unless such member is registered as an odd-lot dealer or an odd-lot broker in such security with the Exchange and unless the Exchange has approved of his so acting as an odd-lot dealer or odd-lot broker and has not withdrawn such approval; provided, however, that the Exchange may exempt relief odd-lot brokers from the provisions of this Rule upon such conditions as it may prescribe.

••• *Supplementary Material:* -----

**.10 Qualifications.**—A member who applies to register as an odd-lot dealer or broker is required to pass on Odd-Lot Examination prescribed by the Exchange unless the Exchange specifically waives this requirement. Applications for this examination should be submitted to the Market Surveillance Division.]

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**Rule 104. Dealings and Responsibilities of DMMs**

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(e) DMM units shall provide contra side liquidity as needed for the execution of odd-lot quantities that are eligible to be executed as part of the opening, re-opening and closing transactions but remain unpaired after the DMM has paired all other eligible round lot sized interest. [orders received by Exchange systems. (See Rule 124 regarding execution of odd-lot orders.)]

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**Rule 108. Limitation on Members' Bids and Offers**

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**(b) Exceptions**

The provisions of paragraph (a) shall not apply to bids or offers made:

(1) [By an odd-lot dealer in a stock in which he or she is registered as an odd-lot dealer to offset a position acquired as an odd-lot dealer;]

[(2)] to offset a transaction made in error; or

(2)[(3)] for bona fide arbitrage.

(See 90(c) { ¶2090(c)} "Dealings by Members in the Exchange" and Rule 112.10 {¶2112.20- 2112.27} for "Interpretations and Instructions".)

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**Rule 115A. Orders at Opening or in Unusual Situations**

••• *Supplementary Material:* -----

**.10 Queries to the Display Book<sup>®</sup> system prior to an opening.**—DMMs, trading assistants and anyone acting on their behalf are prohibited from using the Display Book<sup>®</sup> system in a manner designed to discover inappropriately information about unelected

stop orders when arranging the open or to otherwise attempt to obtain information regarding unelected stop orders.

**.20 Arranging an opening or price.**—DMMs and other members are not permitted to hold or represent orders of members merely for the purpose of arranging an opening or price except:

(1) In order to facilitate business and establish a fair opening price, a DMM may hold a market order of another member, provided such order is delivered to the DMM before the opening of the Exchange; or, when unusual circumstances prevail, instead of holding such an order of another member, the DMM may give up the DMM's own name with the intention of changing the name after the opening, provided such procedure is limited to one side of the market; or

(2) when a Floor Official has determined that unusual circumstances are present or apparent, and, in the interest of an orderly market, requests DMMs or other members to hold market and limited orders of members in order to assist in establishing a fair price.

- a. In arranging an opening or reopening, a limited price order to buy which is at a higher price than the security is to be opened or reopened is to be treated as a market order. Similarly, a limited price order to sell which is at a lower price than the security is to be opened or reopened is to be treated as a market order.
- b. Market orders shall have precedence over limited orders at the opening or reopening of the market in a security. When the price on a limited price order is the same as the price at which the stock is to be opened or reopened, it may not be possible to execute a limited price order at such price.
- c. In arranging an opening or reopening, a DMM is required to see that each market order the DMM holds participates in the opening transaction. If the order is for an amount larger than one round lot[unit of trading], the size of the bid which is accepted or the offer which is taken establishing the opening or reopening price shall be the amount that a market order is entitled to participate in at the opening or reopening.
- [d. When a DMM receives a pre-opening response from another specialist or market maker in another market center (the other specialist) pursuant to the Pre-Opening Application (as that term is defined in Rule 15) and that response indicates that the other specialist has an interest in participating in the opening transaction as principal, such interest of the other specialist shall not have preference over public orders. The manner and extent to which the other specialist may participate as principal in the opening transaction shall be as set forth in the provisions of the Plan covering the Pre-Opening Application.]

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**Rule 124. Reserved. [Odd-Lot Orders**

(a) Except as provided below, all orders for less than the unit of trading ( "odd-lot orders") shall be received, processed, and executed by means of the Exchange system designated for such purpose ( "the System"). The DMM for the subject security shall be the contra party to all such executions. No differential or commission may be charged with respect to any odd-lot order received by the System. All odd-lot orders entered for execution to the System shall contain the appropriate account type identification code according to specified account type categories in accordance with the reporting requirements of Rule 132.

(b) For the purposes of this Rule, the term "marketable" when applied to an odd-lot limit order to buy shall mean at a price that is at or higher than the current National best offer and when applied to an odd-lot limit order to sell shall mean at a price that is at or lower than the current National best bid ( "NBBO").

**(c) Market and Marketable Limit Orders.**— Odd-lot market orders and odd-lot limit orders that are marketable upon receipt by the System (hereinafter collectively referred to as "marketable odd-lot orders") shall begin automatic execution only following the first round-lot transaction on the Exchange in the subject security. Marketable odd-lot orders will be executed in time priority of receipt by the System at the price of the next round-lot transaction on the Exchange in the subject security following receipt of the orders by the System, subject to the following:

(i) Marketable odd-lot buy orders and odd-lot sell orders will be executed at the price of such round-lot transaction on the Exchange with the DMM as the contra side to the extent that such odd-lot orders total an equal number of shares bought and sold, except that a marketable odd-lot order that would otherwise receive a partial execution shall be executed in full.

(ii) Marketable odd-lot orders that do not receive an execution pursuant to paragraph (c)(i), shall be executed in time priority of receipt by the System at the price of the National best bid (in the case of marketable odd-lot orders to sell), or the National best offer (in the case of marketable odd-lot orders to buy), with the DMM as the contra party to all such executions.

(iii) The total number of additional shares of marketable odd-lot orders executed at the price of the NBBO as set forth in paragraph (c)(ii), shall not exceed the number of shares of the lesser of either the last round-lot Exchange transaction or the National best bid (in the case of marketable odd-lot orders to sell), or the National best offer (in the case of marketable odd-lot orders to buy), except that a marketable odd-lot order that would otherwise receive a partial execution shall be executed in full.

(iv) Marketable odd-lot orders not executed pursuant to paragraphs (c)(i), (ii), (iii) or (v) below shall be executed, in time priority order, following subsequent round-lot transactions on the Exchange, subject to the same procedures stated in paragraph (c)(i), (ii), (iii) and (v).

(v) Any marketable odd-lot order not executed within 30 seconds of receipt by the System pursuant to paragraphs (c)(i), (ii), (iii) or (iv) above shall be executed, in the case of an order to buy, at the price of the National best offer after 30 seconds, and in the case of an order to sell, at the price of the National best bid after 30 seconds, subject to the volume restrictions stated in paragraph (c)(iii).

(vi) Odd-lot orders entered before the opening transaction of the subject security that are eligible to receive an execution pursuant to paragraph (b) above, based on the opening price, shall be executed at the price of the opening transaction.

(vii) Odd-lot orders entered prior to and during a halt in trading on the Exchange in the subject security that are eligible to receive an execution pursuant to paragraph (b) above based on the reopening price, shall be executed at the price of the re-opening transaction.

(viii) Marketable odd-lot orders that remain unexecuted prior to the close of trading shall be executed in time priority of receipt at the price of the closing transaction to the extent that such marketable odd-lot orders total an equal number of shares bought and sold. The total number of additional shares of marketable odd-lot orders executed at the price of the closing transaction shall not exceed the number of shares of such closing transaction, except that a marketable odd lot order which would otherwise receive a partial execution shall be executed in full.

**(d) Non-Marketable Limit Orders.**— Odd-lot limit orders that are not marketable upon receipt by the System shall, upon becoming marketable, be executed in time priority of receipt at prices of subsequent round-lot transactions on the Exchange in the subject security subject to the principles of paragraphs (c)(i), (iii), (iv), (v) and (vii), except that such orders will be executed at their limit price when an execution occurs pursuant to paragraphs (c)(ii) and (v). Notwithstanding the above, non-marketable odd-lot limit orders that become marketable, but remain unexecuted prior to the close of trading shall be executed in time priority of receipt at the price of the closing transaction and in accordance with the principals of paragraph (c)(viii) above.

**(e) Stop Orders.**—Odd-lot stop orders shall be executed as follows:

(i) Stop orders entered before the opening transaction that would be elected by the opening transaction shall be executed at the price of the opening transaction.

(ii) Buy Stop Orders. A buy stop order shall become a market order when a round-lot transaction takes place at or above the stop price. The order shall then be filled at a price determined in accordance with the provisions of paragraph (c) above.

(iii) Sell Stop Orders. A sell stop order shall become a market order when a round-lot transaction takes place at or below the stop price. The order shall then be filled at a price determined in accordance with the provisions of paragraph (c) above.

**(f) OTHER TYPES OF ORDERS****Buying on Closing Offer-Selling on Closing Bids**

(1) Buy "*On Close*." An order to buy "On Close" shall be filled at the price of the closing round-lot sale.

(2) Sell "*On Close*." An order to sell "On Close" shall be filled at the price of the closing round-lot sale.

**Discretionary Orders**

A discretionary order must not be accepted by an odd-lot dealer.

• • • *Supplementary Material:* -----

**.10 "Delayed Sale," "Sold Sale".**—When a "delayed sale" or "sold sale" occurs (printed on the ticker tape followed by the symbol "sold"), the odd-lot dealers shall make every effort to ascertain the approximate time the transaction took place. If there is some doubt as to whether or not this transaction in any way affects the execution of an odd-lot order, the firm that entered the order should be notified, informed of the circumstances, and given the opportunity to accept or reject a report based on the transaction.

**.20 Sales Not Printed on the Tape.**—The customer of the odd-lot dealer must accept a report based on a sale that took place on the Floor, but which, through error, was not printed on the tape, if the odd-lot dealer filled and reported the customer's order at the time the sale occurred.

If the odd-lot dealer failed to fill the order at the time the sale occurred the customer should be offered the choice of accepting or refusing a report based on that sale.

**.30 Orders to Be Reduced on Ex-Date.**—Open buy limited orders and open stop orders to sell held by an odd-lot dealer prior to the day a stock sells ex-dividend, ex-distribution or ex-rights shall be handled in accordance with the procedures set forth in Rule 118 and the provisions in Rule 118.10, .20 and .21 in the Supplementary Material thereto.

**.40** (i) The odd-lot portion of PRL (part of round lot) orders will be executed only where no round lot portion thereof is canceled. The odd-lot portion of PRL orders transmitted for immediate and automatic execution will be executed at a price pursuant to the provisions of subparagraphs (c) and (d) above. The odd-lot portion of PRL orders transmitted to a Floor broker via the Floor broker booth system for execution will be executed at the same price of the last round lot execution that would complete the round lot portion of the PRL. PRL orders must not be transmitted to Floor broker hand-held devices.

(ii) The odd lot portion of a PRL order submitted with non-regular way settlement instructions will receive the same execution price as the last round lot portion of such order. (See Rule 14 (Non-Regular Way Settlement Instructions for Orders) for additional permissible settlement instructions.)

**.50** In instances in which quotation information is not available, e.g., the quotation collection or dissemination facilities are inoperable, or the market in a security has been determined to be in a "non-firm mode" (as defined in Rule 60(c)(2)), marketable odd-lot orders will be executed by means of the odd-lot System at a price determined in accordance with the provisions of paragraph (c), once quotation information is again available. In instances where the quote in a security does not meet odd-lot system guidelines, marketable odd-lot orders will be executed at a price determined in accordance with the provisions of paragraph (c) that is within the odd-lot system guidelines.

**.60** Odd-lot executions will be suspended when automatic executions pursuant to Exchange Rule 1000, paragraphs (a)(i)—(v) are suspended. Odd-lot executions will resume when automatic executions pursuant to Exchange Rule 1000 paragraphs (a)(i)—(v) resume.

**.70** References to "round-lot transaction", "round-lot Exchange transaction", "opening transaction," "closing transaction", "reopening price", "re-opening transaction", "price" and "sale" shall not include any transaction that occurs in NYSE MatchPoint or the NYBX Facility (See Rule 1500 and Rule 1600).]

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#### **Rule 411. Erroneous Reports**

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(b)

**(1) Conduct of Accounts.**— "Bunching" odd/lot orders.—A member or member organization shall not combine the orders given by several different customers to buy or sell odd-lots of the same stock, into a round-lot order without the prior approval of the customers interested.

[When a person gives, either for his own account, for various accounts in which he has an actual monetary interest, or for accounts over which such person is exercising investment discretion, buy or sell odd-lot orders which aggregate 100 shares or more, a member or member organization shall not accept such orders for execution unless they are, as far as possible, consolidated into full lots, except that selling orders marked "long" need not be so consolidated with selling orders marked "short." An exception from this consolidation requirement may be relied upon once per trading day by the person exercising investment

discretion for the odd-lot orders in a particular stock that would aggregate to less than 300 shares.]

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**[NYSE Direct+<sup>®</sup>] Automatic Executions (Rules 1000—1004)**

**Rule 1000. Automatic Executions**

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**A.** Liquidity Replenishment Points ("LRPs") will be calculated automatically throughout the trading day as follows:

- (1) when a stock opens on a quote; and
- (2) upon the first sale of the relevant security on the Exchange for that trading day reported to the Consolidated Tape; and
- (3) every thirty (30) seconds, or at such other specified intervals as the Exchange shall determine from time to time; and
- (4) after a manual trade by the DMM; and
- (5) when automatic executions resume after a LRP is reached; and
- (6) upon a sale after automatic executions resume after a LRP has been reached.

**B.** LRPs are calculated by adding and subtracting a value, which shall be determined by the Exchange, to the last sale price on the Exchange in the relevant security, except that

(1) When a stock opens on a quote the LRPs will be calculated immediately using the opening quote by taking the offer and adding the LRP value (High LRP = offer + LRP value) and taking the bid and subtracting the LRP value (Low LRP = bid - LRP value). These LRPs will remain in effect until the first sale of the security on the Exchange reported to the Consolidated Tape, at which time the LRPs will be immediately recalculated based upon that sale price.

(2) Upon resumption of Auto Execution after it was suspended due to quoting beyond one (or both) of the LRPs (the "slow" side), the LRP will be recalculated on the "slow"

side using the last published quote for that side by taking either the offer (or the bid) and adding (or subtracting) the LRP value. Only the "slow" side LRP will be recalculated. This LRP will not be recalculated until a manual trade is entered, there is a new sale of the security on the Exchange reported to the Consolidated Tape, or the stock becomes "slow" again and the DMM again resumes Auto Execution. When a manual trade is entered or there is a new sale reported to the Consolidated Tape, both LRPs will be immediately recalculated based on the last sale price reported to the Consolidated Tape.

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**D.** Upon the first sale on the Exchange reported to the Consolidated Tape for that trading day, the recalculation timer will start and will continue to run throughout the trading day.

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**(d) Capital Commitment Schedule.**

**(i)** For each security in which it is registered, a DMM unit may place within Exchange systems a pool of liquidity to be available to fill or partially fill incoming orders in automatic executions and to be known as a "Capital Commitment Schedule" ("CCS") pursuant to the provisions of subparagraph (e) and (g) below. The CCS is the DMM unit's commitment to trade a specified number of shares at specified price points in reaction to incoming contra side interest that is equal to or greater than one round lot, received through Exchange systems. CCS interest shall be used to trade at the Exchange BBO, at prices better than the Exchange BBO and at prices outside the Exchange BBO. CCS interest shall supplement displayed and non-displayed interest of the DMM on the Display Book<sup>®</sup>.

**(ii)** CCS interest must be for a minimum of one round lot of a security and be entered at price points that are at, inside or away from the Exchange BBO.

**(e) Executions at and Outside the Exchange Best Bid or Offer**

**(i)** Automatically executing orders to buy shall trade with the Exchange published best offer. Automatically executing orders to sell shall trade with the Exchange published best bid. All displayed interest at the Exchange BBO shall be allocated in accordance with Exchange Rule 72.

**(ii)** Where the volume associated with the Exchange published best bid (offer) is insufficient to fill an automatically executing order in its entirety, the unfilled balance of such order (the "residual") shall trade with available contra-side interest in the following order:

**(A)** reserve interest at the Exchange published best bid (offer);

**(B)** any DMM unit CCS interest at the Exchange published best bid (offer) if such CCS interest will fill the balance of such order at the best bid (offer). Any CCS interest eligible to participate in the execution at the Exchange BBO shall yield to all other interest at that price; or

**(C)** if a residual remains, it shall then "sweep" the Display Book<sup>®</sup> system as set forth in (iii) below, until it is executed in full, its limit price, if any, is reached, a liquidity replenishment point is reached, or in the case of a Reg. NMS-compliant IOC or Do Not Ship order, as described in Rule 13, trading at a particular price on the Exchange would require cancellation because the order cannot be routed to another market center, whichever occurs first.

**(iii)** Automatic Execution of Orders in Executions Outside the Exchange BBO ("Sweeps")

**(A)** During a sweep (i.e., a trade that takes place at prices outside the Exchange BBO), the residual shall trade with the orders on the Display Book<sup>®</sup> system and any broker agency interest files ("e-Quotes"), broker proprietary interest files ("G-Quotes") and/or DMM interest files ("s-Quotes") capable of execution in accordance with Exchange rules, at each successive price lower than the displayed bid (in the case of a sweeping sell order) or higher than the displayed offer (in the case of a sweeping buy order) as long as the sweep continues.

**(1)** If the contra side order is not executed in full at the Exchange BBO, Exchange systems will then calculate the unfilled volume of the contra side order and review the additional displayed and non-displayed interest available in the Display Book<sup>®</sup> system including the CCS interest submitted by the DMM unit and any protected bids or offers on markets other than the Exchange ("away interest") to determine the price at which the remaining volume of the contra side order can be executed in full. This is the "completion price".

**(2)** Exchange systems will then identify the next price that is one minimum price variation ("MPV") (as that term is defined in Exchange Rule 62) or more inside the completion price (i.e., for an incoming contra side order to buy, one MPV lower, and for an incoming contra side order to sell, one MPV higher) at which the maximum volume of CCS interest exists to trade with the residual volume of the contra side order. This is the "better price" for CCS interest. The residual amount of the contra side order will be executed at the better price against the displayed, non-displayed and CCS interest, with CCS interest yielding to any other interest in Exchange systems at the better price.

**(3)** Any remaining volume of the contra side order that is unfilled following the trade with the CCS interest will trade against displayable and non-displayable interest pursuant

to Exchange Rule 72 governing parity, but not CCS interest, at the price point at which the contra side order will be completed.

(4) During a sweep transaction, if Exchange systems review the displayed and non-displayed interest available in the Display Book<sup>®</sup> system (including the CCS interest submitted by the DMM unit) and any protected bids or offers on markets other than the Exchange ("away interest") and determine that the order cannot be executed in full because: (i) there is insufficient volume up to the order's limit price, if any, or (ii) a liquidity replenishment point is reached, then Exchange systems may partially fill the order utilizing CCS interest when the DMM has designated such CCS interest for partial execution.

CCS interest shall be accessed by Exchange systems to partially fill Incoming Regulation NMS-compliant Immediate or Cancel Orders, NYSE Immediate or Cancel Orders and any order whose partial execution will result in a remaining unfilled quantity of less than one round lot even if such CCS interest is not designated for partial execution.

CCS interest utilized in the [designated for] partial execution of an order will execute against the remaining shares of the incoming order at the order's limit price, if any, except that if an LRP is reached during the execution, the remaining shares will be executed against CCS interest at the LRP price.

(5) CCS interest may only participate once in the execution of a contra side order during a sweep.

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**Rule 1004. Election of Buy Minus, Sell Plus and Stop Orders [and Percentage Orders]**

Automatic executions of transactions reported to the Consolidated Tape shall elect buy minus, sell plus and stop orders [and percentage orders] electable at the price of such executions. Any buy minus, sell plus and stop orders so elected shall be automatically executed as market orders pursuant to Exchange rules. [Any percentage orders elected by automatic executions shall be executed in accordance with Rule 123A.30(a)(i)- (iv).]