

Additions: Underlined
Deletions: [Bracketed]

Rules of NYSE Arca, Inc.

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Rule 6-O OPTIONS TRADING

Rules with a “P” modifier are operative for symbols that are trading on the Pillar trading platform. If a symbol is trading on the Pillar trading platform, a rule with the same number as a rule with a “P” modifier will no longer be operative for that symbol. The Exchange will announce by Trader Update when symbols are trading on the Pillar trading platform.

Rules Principally Applicable to Trading of Option Contracts

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Rule 6.41P-O. Price Reasonability Checks - Orders and Quotes

(a) The Exchange will apply Price Reasonability Checks defined in paragraphs (b) and (c) of this Rule to all Limit Orders and quotes during continuous trading on each trading day (excluding those represented in open outcry, except CTB Orders), subject to the following:

- (1) A Limit Order or quote received during a pre-open state will be subject to the Price Reasonability Checks after an Auction concludes. A Limit Order or quote that was resting on the Consolidated Book before a trading halt will be subject to the Price Reasonability Checks again after the Trading Halt Auction. A put option message to buy will be subject to the Arbitrage Check regardless of when it arrives.
- (2) If the calculation of the Price Reasonability Check is not consistent with the MPV for the series, it will be rounded down to the nearest price within the applicable MPV.
- (3) The Price Reasonability Checks will not apply to:
 - (i) any options series for which the underlying security has a non-standard cash or stock deliverable as part of a corporate action;
 - (ii) any options series for which the underlying security is identified as over-the-counter (“OTC”);
 - (iii) any option series on an index; and
 - [(iv) any options series for which there is no last-sale eligible trade in the underlying security on the Primary Market since the opening of trading; and]
 - (iv) any option series for which the Exchange determines it is necessary to exclude underlying securities in the interests of maintaining a fair and orderly market, which the Exchange will announce by Trader Update.

(b) Arbitrage Checks for buy orders or quotes.

- (1) Puts. Order or quote messages to buy for put options will be rejected if the price of the order or quote is equal to or greater than the strike price of the option.
- (2) Calls. Order or quote messages to buy for call options will be rejected or canceled (if resting) if the price of the order or quote is equal to or greater than the price of the last [- sale eligible]trade (of any size) of the underlying security on the Primary Market, plus a specified threshold to be determined by the Exchange and announced by Trader Update.

(c) Intrinsic Value Checks for sell orders or quotes.

- (1) The Intrinsic Value for a put option is equal to the strike price minus the price of the last [- sale eligible]trade (of any size) of the underlying security on the Primary Market.
- (2) The Intrinsic Value for a call option is equal to the price of the last [- sale eligible]trade (of any size) of the underlying security on the Primary Market minus the strike price.
- (3) ISOs to sell are not subject to the Intrinsic Value Check described in this paragraph (c).
- (4) Puts and calls.

(A) Orders or quotes to sell for both puts and calls will be rejected or canceled (if resting) if the price of the order or quote is equal to or lower than its Intrinsic Value, minus a specified threshold to be determined by the Exchange and announced by Trader Update.

(B) The threshold percentage is based on the NBB, provided that, immediately following an Auction, it is based on the Auction Price or, if none, the lower Auction Collar price, or, if none, the NBB. For purposes of determining the Intrinsic Value, the Exchange will not use an adjusted NBBO. The Intrinsic Value Check for sell orders and quotes will not be applied if the Intrinsic Value cannot be calculated.

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