

Additions underscored  
 Deletions [bracketed]

## Rules of the NYSE MKT LLC

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### Section 6. Comparison and Clearance of Exchange Option Transactions

#### Rule 960. General Comparison and Clearance Rule

All Exchange option transactions shall be submitted to the Exchange for comparison of trade information, and all compared transactions shall be cleared through the Options Clearing Corporation and shall be subject to the rules of the Options Clearing Corporation. Each member organization which is a [c]Clearing [m]Member of the Options Clearing Corporation shall file with the Exchange trade information in accordance with Rule 962 for each Exchange option transaction for which such [c]Clearing [m]Member is responsible. [All option transactions involving orders stored in the Opening Automated Report Service shall be cleared and compared in accordance with the provisions of Rule 950(m) and Commentary thereto.]

#### Rule 961. Give Up of a Clearing Member[Responsibility of Clearing Members for Exchange Option Transactions

Every member organization which is a clearing member of the Options Clearing Corporation shall be responsible for the clearance of the Exchange option transactions of such member organization and of each member or member organization who gives up the name of such clearing member in an Exchange option transaction, provided the clearing member has authorized such member or member organization to give up its name with respect to Exchange option transactions.]

(a) General. For each transaction in which an ATP Holder participates, the ATP Holder must give up the name of the Clearing Member through which the transaction will be cleared (“give up”). The Clearing Member that is given up must be a Designated Give Up or a Guarantor of the ATP Holder as set forth in paragraph (b) below. If a Designated Give Up determines to reject a trade in accordance with this Rule, the Guarantor for the executing ATP Holder will become the give up on the trade, unless another Clearing Member agrees to accept the trade, in accordance with paragraph (f) below.

(b) Designated Give Ups.

(1) Definition of Designated Give Up. For purposes of this Rule, a “Designated Give Up” of an ATP Holder refers to a Clearing Member identified to the Exchange by that ATP Holder as a Clearing Member the ATP Holder requests the ability to give up and that has been processed by the Exchange as a Designated Give Up.

(2) Definition of Guarantor. For purposes of this Rule, a “Guarantor” of an executing ATP Holder refers to a Clearing Member that has issued a Letter of Guarantee or Letter of Authorization for the executing ATP Holder under the Rules of the Exchange that is in effect at the time of the execution of the applicable trade.

(3) Identification of Designated Give Up. Every ATP Holder (other than a Market Maker) must identify, in a form and manner prescribed by the Exchange and in advance of giving up any Clearing Member that is not a Guarantor for the ATP Holder, any Designated Give Ups. An ATP Holder will only give up a Clearing Member that has previously been identified and processed by the Exchange as a Designated Give Up for that ATP Holder; a Guarantor for that ATP Holder; or another Clearing Member that agrees to accept a trade in accordance with paragraph (f) below.

(4) Non Market Makers. Any ATP Holder (other than a Market Maker) may designate, pursuant to subparagraph (b)(3) above, any Clearing Member other than its Guarantor, as a Designated Give Up. The Exchange will not accept any instructions, and will not give effect to any previous instructions, from a Clearing Member not to permit an ATP Holder to designate the Clearing Member as a Designated Give Up.

(5) Market Makers. For each transaction in which a Market Maker participates, a Guarantor of the Market Maker shall be the Clearing Member through which the transaction will be cleared.

(6) Guarantors. A Guarantor for an ATP Holder will be enabled to be given up for that ATP Holder without any further action by the ATP Holder.

(7) Removal of Designated Give Up. If an ATP Holder (other than a Market Maker) no longer wants the ability to give up a particular Designated Give Up, the ATP Holder must notify the Exchange, in a form and manner prescribed by the Exchange.

(c) System. The Exchange’s trading systems will only accept orders that identify an effective Designated Give Up or a Guarantor. The Exchange’s trading systems will reject any order entered by an ATP Holder which designates a give up that is not at the time a Designated Give Up or Guarantor of the ATP Holder.

(d) Notice to Clearing Members. The Exchange will notify a Clearing Trading Member, in writing and as soon as practicable, of each ATP Holder that has identified the Clearing Member as a Designated Give Up pursuant to subparagraph (b)(3) above.

(e) Acceptance of a Trade.

(1) Designated Give Ups. A Designated Give Up may determine in accordance with the provisions of this Rule not to accept a trade for which its name was given up if it believes in good faith that it has a valid reason not to accept the trade and follows the procedures set forth in paragraph (f) below.

(2) Guarantors. A Guarantor must accept a trade for which its name was given up in relation to an ATP Holder (other than a Market Maker) for which it is a Guarantor unless (A) another Clearing Member agrees to be the give up on the subject trade, (B) the Clearing Member has notified the Exchange and the executing ATP Holder in writing of its intent to accept the trade, and (C) the give up is changed to the Clearing Member that has agreed to accept the trade in accordance with the procedures in paragraph (f) below. A Guarantor for an ATP Holder that is a Market Maker must accept a trade for which its name was given up in relation to a Market Maker trade by that ATP Holder.

(f) Procedures to Reject a Trade:

(1) A Designated Give Up can only change the give up to:

(A) another Clearing Member that has agreed to be the give up on the subject trade, provided such Clearing Member has notified the Exchange and the executing ATP Holder in writing of its intent to accept the trade; or

(B) a Guarantor for the executing ATP Holder, provided the Designated Give Up has notified the Guarantor in writing that the Designated Give Up is changing the give up on the trade to the Guarantor.

(2) A Guarantor can only change the give up to another Clearing Member that has agreed to be the give up on the subject trade, provided such Clearing Member has notified the Exchange and the executing ATP Holder in writing of its intent to accept the trade.

(3) In the event a Designated Give Up determines to reject a trade, or another Clearing Member agrees to be the give up on a trade for which a Guarantor's name was given up, the following procedures shall apply:

(A) Notification to ATP Holder. If a Designated Give Up decides to reject a trade, or another Clearing Member agrees to be the give up on a trade for which a Guarantor's name was given up, the rejecting Designated Give Up or Guarantor must notify the executing ATP Holder or its designated agent as soon as possible and should attempt to resolve the disputed give up. The notification must be in writing. A Designated Give Up or Guarantor may contact the Exchange and request the identity and contact information of the executing ATP Holder or its designated agent for any trade it intends to reject.

(B) Change of Give Up Made On Trade Date. A Designated Give Up or Guarantor may, following notification to the ATP Holder pursuant to subparagraph (f)(3)(A), contact the Exchange and request the ability to change the give up on the trade, in a form and manner prescribed by the Exchange. Upon such a request and so long as the Exchange is able to process the request prior to the trade input cutoff time established by the Options Clearing Corporation (or the applicable later time if the

Exchange receives and is able to process a request to extend its time of final trade submission to the Options Clearing Corporation) (“Trade Date Cutoff Time”), the Exchange will provide the Designated Give Up or Guarantor the ability to change the give up on the trade until the Trade Date Cutoff Time, at which point the ability to change the give up on a trade will end.

(C) Change of Give Up Made On T+1. A Designated Give Up or Guarantor may, following notification to the ATP Holder pursuant to subparagraph (f)(3)(A), contact the Exchange and request the ability to reject the trade on the next trading day (“T+1”). Upon such a request, and provided the Exchange receives the request prior to 12:00 p.m. (ET) on T+1 (“T+1 Cutoff Time”), the Exchange will provide the Designated Give Up or Guarantor the ability to enter trade records into the Exchange’s systems that will effect a transfer of the trade to another Clearing Member.

(D) Expiring Options Series. For transactions in an expiring options series that take place on the last trading day prior to its expiration, no changes can be made to the give up on T+1. A Designated Give Up or Guarantor may only reject these transactions on the trade date until the Trade Date Cutoff Time in accordance with subparagraph (f)(3)(B) above.

(E) Notification of Change. A Designated Give Up or Guarantor that changes the give up on a trade will immediately thereafter notify, in writing, the Exchange, the Clearing Member given up and all parties to the trade of the change.

(g) Other Give Up Changes.

(1) Give Up Changes Made by Executing ATP Holder. If the executing ATP Holder has the ability through an Exchange system to do so, the ATP Holder may change the give up on the trade to another Designated Give Up or to its Guarantor. The ability of an executing ATP Holder to make any give up change will end at the Trade Date Cutoff Time.

(2) Give Up Changes Made by Designated Give Ups to Affiliates and Back Office Agents. If a Designated Give Up has the ability through an Exchange system to do so, the Designated Give Up may change the give up on a trade to (A) another Clearing Member affiliated with the Designated Give Up or (B) a Clearing Member that is a back office agent for the Designated Give Up. The ability to make such a change will end at the Trade Date Cutoff Time. The procedures in paragraph (f) above will not apply to give up changes made pursuant to this subparagraph (g)(2).

(3) Give Up Changes Made by Designated Give Ups or Guarantors and Clearing Members on T+1. If a Designated Give Up (or Guarantor) and a Clearing Member have the ability through an Exchange system to do so, the Designated Give Up (or Guarantor) and Clearing Member may each enter trade records into the Exchange’s systems on T+1 that would effect a transfer of a trade in non-expired option series

from that Designated Give Up (or Guarantor) to that Clearing Member. The ability to make such a change will end at the T+1 Cutoff Time. The Designated Give Up (or Guarantor) will notify the Exchange and all the parties to the trade, in writing, of any such change. The procedures in paragraph (f) above will not apply to give up changes made pursuant to this subparagraph (g)(3).

(h) Responsibility:

(1) For purposes of the Rules of the Exchange, a Clearing Member will be financially responsible for all trades for which it is the give up at the Applicable Cutoff Time.

Nothing in this Rule will preclude a different party from being responsible for the trade outside of the Rules of the Exchange pursuant to the Rules of the Options Clearing Corporation, any agreement between the applicable parties, other applicable rules and regulations, arbitration, court proceedings or otherwise. In processing the request to provide a Designated Give Up the ability to change the give up or to reject a trade pursuant to this Rule, the Exchange will not, and has no obligation to, consider whether the Designated Give Up or any other party has satisfied the requirements of this Rule or any other Rule, including in relation to having a good faith belief that the Designated Give Up has a valid reason not to accept a trade or having notified the executing ATP Holder and attempted to resolve the disputed give up prior to changing the give up or rejecting the trade. This Rule does not preclude these factors from being considered in a different forum such as is noted in the preceding sentence or by the Exchange for regulatory and disciplinary purposes. The Exchange's action to process a request to provide a Designated Give Up or Guarantor the ability to change the give up pursuant to this Rule will not be subject to review, but an ATP Holder that violates the provisions of this Rule in taking such an action will be subject to discipline in accordance with the Rules.

(2) For purposes of this paragraph (h), the "Applicable Cutoff Time" is:

(A) For all trades in options, other than expiring options series that take place on the last trading day prior to their expiration, the T+1 Cutoff Time; and

(B) For all trades in expiring options series that take place on the last trading day prior to their expiration the Trade Date Cutoff Time.

**Commentary:**

.01 Nothing herein will be deemed to preclude the clearance of Exchange transactions by a non- ATP Holder pursuant to the By-Laws of the Options Clearing Corporation so long as a Clearing Member who is an ATP Holder is also designated as having responsibility under these Rules for the clearance and comparison of such transactions.

**Section 900NY. Rules Principally Applicable to Trading of Option Contracts**

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**Rule 954NY. Order Identification**

a) *Must Give Up Clearing Member.* For each transaction in which an ATP participates, the ATP Holder must give up the name of the Clearing Member through which the transaction will be cleared pursuant to Rule 961. [For each transaction in which he or she participates, an ATP Holder must immediately give up the name of the clearing member through whom the transaction will be cleared. If there is a subsequent change in identity of the clearing member through whom a transaction will be cleared, the ATP Holder must, as promptly as possible, report such change to the clearing member on the other side of the transaction. This Subsection shall not apply to Market Maker transactions.]

(b) *Market Maker Orders.* A Floor Broker holding an order for the account of a Market Maker shall verbally identify the order as such prior to consummating a transaction.

(c) *Broker-Dealer Orders.* Prior to executing an order in which a broker-dealer has an interest, an ATP Holder must indicate by public outcry that such order is for a broker-dealer. This rule applies regardless of whether such broker-dealer is an Exchange ATP Holder.

(d) *Floor Broker Identification.* A Floor Broker acting as an agent for another Floor Broker in effecting a transaction must give up his or her own name as executing ATP Holder.

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