

Additions underlined.  
 Deletions [bracketed].

## Rules of NYSE Arca, Inc.

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### **RULE 1 DEFINITIONS**

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

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#### Eligible Security

The term "Eligible Security" shall mean any cash equity security (i) either listed on the Exchange or 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 NYSE Arca Marketplace, NYSE Arca Equities Application or other facility, as the case may be.

#### Equity Data Plans

The term "Equity Data Plans" shall mean the effective national market system plan(s) governing the collection, consolidation, processing and dissemination of consolidated equity market data via the exclusive securities information processors ("SIPs"), including (1) Consolidated Tape Association Plan ("CTA Plan"), (2) Consolidated Quotation Plan ("CQ Plan"), (3) the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis ("UTP Plan"), (4) the CT Plan established by the Limited Liability Company Agreement of CT Plan LLC, and (5) any successor thereto to the named Plan(s).

#### ETP

The term "ETP" shall refer to an Equity Trading Permit issued by the Exchange for effecting approved securities transactions on the Exchange's Trading Facilities. An ETP may be issued to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, and which has been approved by the Exchange.

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#### Expiration Month

The term “expiration month” in respect of an option contract means the month and year in which such option contract expires.

Extended Hours Trading

The term “Extended Hours Trading” shall mean trading during the Early Trading Session and the Late Trading Session.

FINRA

The term "FINRA" shall mean the Financial Industry Regulatory Authority, Inc.

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**Equities Rules**

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**RULE 5-E EQUITIES LISTINGS**

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**Rule 5.1-E(a). General Provisions and Unlisted Trading Privileges[.]**

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(2) *UTP Derivative Securities*. Any unlisted trading privileges security that is a UTP Derivative Securities Product, as defined in Rule 1.1, shall be subject to the additional following rules:

- (i) Information Circular. The Exchange shall distribute an information circular prior to the commencement of trading in each such UTP Derivative Security that generally includes the same information as is contained in the information circular provided by the listing exchange, including (a) the special risks of trading the new derivative securities product, (b) the Exchange Rules that will apply to the new derivative securities product, including Rule 9.2-E(a)(2), (c) information about the dissemination of value of the underlying assets or indices, and (d) the risk of trading during [the Opening session (1:00 a.m. - 6:30 a.m. Pacific Time) and the Late Trading Session (1:00 p.m. - 5:00 p.m. Pacific Time)]Extended Hours Trading due to the lack of calculation or dissemination of the intra-day indicative value or a similar value.

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**Rule 7.34-E(T). Trading Sessions**

(a) Sessions. The NYSE Arca Marketplace 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 1:30 a.m. Eastern Time and conclude at the commencement of the Core Trading Session. The Exchange will begin accepting orders 30 minutes before the Early Trading Session begins. The Early Open Auction will begin the Early Trading Session.
- (2) Core Trading Session. The Core Trading Session will begin for each security at 9:30 a.m. Eastern Time and end at the conclusion of Core Trading Hours or the Core Closing Auction, whichever comes later. The Core Open Auction will begin the Core Trading Session.
- (3) Late Trading Session. The Late Trading Session will begin following the conclusion of the Core Trading Session and conclude at 11:30 p.m. Eastern Time except for Friday, when the Late Trading Session will begin following the conclusion of the Core Trading Session and conclude at 8:00 p.m. Eastern Time.

(b) Order Designation.

- (1) Any order entered into the NYSE Arca Marketplace must include a designation for which trading session(s) the order will remain in effect. Orders entered 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) - (F), orders and modifiers defined in Rule 7.31-E 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 and Discretionary 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) Limit Orders designated IOC are not eligible to participate in the Early Open Auction and will be rejected if entered before the Early Open Auction concludes.
  - (C) Limit Orders designated IOC entered before or during the Early Trading Session and designated for the Core Trading Session will be rejected if entered before the Auction Processing Period for the Core Open Auction.
  - (D) For securities that are not eligible for an auction on the Exchange, 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, Primary Only Orders, and Directed Orders designated for the Early Trading Session will be rejected.

(F) Non-Displayed Limit Orders, MPL Orders, Tracking Orders, and RPI Orders entered before the Auction Processing Period for the Early Open Auction concludes 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-E that are designated for the Core Trading Session are eligible to participate in the Core Trading Session.

(A) Market Orders in securities that are not eligible for the Core Open Auction 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 in securities that are not eligible for an auction on the Exchange will be accepted and routed directly to the primary listing market.

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

(3) Late Trading Session. Unless otherwise specified in paragraph (c)(3)(A) - (C), the orders and modifiers defined in Rule 7.31-E 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, Primary Only Orders, and Directed Orders designated for the Late Trading Session will be rejected.

(d) Customer Disclosures. No ETP Holder may accept an order from a non-ETP Holder for execution in the Early or Late Trading Session without disclosing to such non-ETP Holder 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 Derivative Securities Products. The disclosures required pursuant to this subparagraph (d)(3) may take the following form or such other form as provides substantially similar information:
- (i) 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.
  - (ii) 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.
  - (iii) 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.
  - (iv) 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.
  - (v) 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.

- (vi) 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.
- (vii) Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV"). For certain Derivative Securities 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 Derivative Securities Products in those sessions may be at a disadvantage to market professionals.
- (viii) Risk of Trading During Hours in Which Financial Market Infrastructure Companies Are Closed. During Extended Hours Trading, there are certain hours in which important financial market infrastructure companies are closed for business. Examples of these market infrastructure companies include other markets, banks, Fedwire Funds Service, and certain other providers of settlement services. Likewise, trading during hours in which the relevant clearing agency as well as other providers of settlement services are closed may lead to an increased passage of time between execution and final settlement of the resulting transaction.
- (ix) Risk of Trading During Hours in Which Primary Listing Markets May Not Be Open. During Extended Hours Trading, the primary listing exchanges for securities traded on the Exchange may not be open, and, thus, trading in listed securities may not be occurring on the primary listing exchanges during Extended Hours Trading. The primary listing exchanges also may not be available to perform their regulatory surveillance and other regulatory obligations with regard to their listed securities during Extended Hours Trading.
- (x) Risk of Trading During Hours in Which There May Be Limited or Different Regulatory Protections. The regulatory protections available during Extended Hours Trading may be more limited or different than those available during the Core Trading Session. For example, certain mechanisms that address volatility in individual symbols and the equities market may not be available during Extended Hours Trading.
- (xi) Risk of Trading Because of Limited Trading Alternatives. The Exchange may be the only exchange trading certain securities during Extended Hours Trading. With more limited trading alternatives during Extended

Hours Trading, you may experience losses if your orders cannot be executed normally due to systems failures or other issues on the Exchange.

(xii) Risk related to Continuous Trading. During Extended Hours Trading, near-continuous trading would take place. With more limited breaks in trading, there may be a greater risk related to system maintenance and testing, as well as the pausing and resumption of trading.

(xiii) Additional Risks. Extended Hours Trading may present additional unforeseen risks in addition to those discussed above.

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

### **Rule 7.34-E. Trading Sessions**

**This version of Rule 7.34-E will remain operative until Extended Hours Trading as set forth in Rule 7.34-E(T) is operative. For the avoidance of doubt, notwithstanding anything to the contrary in these Rules, the Exchange shall not commence operation of Extended Hours Trading as set forth in Rule 7.34-E(T) unless the Equity Data Plans (1) have established a mechanism to collect, consolidate, process and disseminate quotation and transaction information at all times during Extended Trading Hours that is equivalent to the mechanism established for the Core Trading Session, and (2) have provided the Exchange with notification that they are prepared to collect, consolidate, process and disseminate quotation and transaction information to accommodate Extended Trading Hours.**

**Prior to commencing operation during Extended Hours Trading as set forth in Rule 7.34-E(T), the Exchange will file a proposed rule change pursuant to Section 19(b) of the Exchange Act and the rules thereunder to amend its rules to delete the current version of Rule 7.34-E and preamble and delete the “T” designation in Rule 7.34-E(T), and confirm that the Exchange is able to comply with its obligations under the Exchange Act and the rules thereunder during Extended Trading Hours and that such Equity Data Plans are prepared to collect, consolidate, process and disseminate quotation and transaction information at all times during Extended Trading Hours. The rule change must be filed with the SEC within 18 months of the SEC’s approval of the Exchange’s rule filing adopting Rule 7.34-E(T). If the Exchange fails to file such a rule change within 18 months of approval of Rule 7.34-E(T), the Exchange will promptly file a proposed rule change to delete Rule 7.34-E(T).**

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(d) *Customer Disclosures.* No ETP Holder may accept an order from a non-ETP Holder for execution in the Early or Late Trading Session without disclosing to such non-ETP Holder 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 [h]Hours [t]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 Derivative Securities Products. The disclosures required pursuant to this subparagraph (d)(3) may take the following form or such other form as provides substantially similar information:
  - (1) 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 [e]Extended [h]Hours [t]Trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.
  - (2) 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 [e]Extended [h]Hours [t]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 [e]Extended [h]Hours [t]Trading than you would during regular market hours.
  - (3) Risk of Changing Prices. The prices of securities traded in [e]Extended [h]Hours [t]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 [e]Extended [h]Hours [t]Trading than you would during regular market hours.
  - (4) 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.



- (5) 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 [e]Extended [h]Hours [t]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.
- (6) 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 [e]Extended [h]Hours [t]Trading may result in wider than normal spreads for a particular security.
- (7) Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV"). For certain Derivative Securities 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 Derivative Securities Products in those sessions may be at a disadvantage to market professionals.

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#### **Rule 9.5320-E. Prohibition Against Trading Ahead of Customer Orders**

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#### ***Commentary:***

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.08 Trading Outside Normal Market Hours. An ETP Holder generally may limit the life of a customer order to the period of normal market hours of [6:30 a.m. to 1:00 p.m. Pacific Standard Time]the Core Trading Session. However, if the customer and ETP Holder agree to the processing of the customer's order outside normal market hours, the protections of this Rule shall apply to that customer's order(s) at all times the customer order is executable by the ETP Holder.

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