

Note: Proposed new language is underlined. Proposed deletions are enclosed in [brackets].

Rules of EDGX Exchange, Inc.

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Rule 8.15 Imposition of Fines for Minor Violation(s) of Rules

(a) In lieu of commencing a disciplinary proceeding as described in Rules 8.1 through 8.13, the Exchange may, subject to the requirements set forth in this Rule, impose a fine[, not to exceed \$2,500,] on any Member, associated person of a Member, or registered or non-registered employee of a Member, for any violation of a Rule of the Exchange, which violation the Exchange shall have determined is minor in nature. The Exchange may, if no exceptional circumstances are present, impose a fine based upon a determination that there exists a pattern or practice of violative conduct. The Exchange also may aggregate similar violations generally if the conduct was unintentional, there was no injury to public investors, or the violations resulted from a single systemic problem or cause that has been corrected. Any fine imposed pursuant to this Rule that does not exceed \$2,500 and is not contested shall not be publicly reported, except as may be required by Rule 19d-1 under the Act or as may be required by any other regulatory authority.

(b)-(d) (No changes.)

(e) The Exchange shall prepare and announce to its Members and Member organizations from time to time a listing of the Exchange Rules as to which the Exchange may impose fines as provided in this Rule. Such listing shall also indicate the specific dollar amount that may be imposed as a fine hereunder with respect to any violation of any such Rule or may indicate the minimum and maximum dollar amounts that may be imposed by the Exchange with respect to any such violation. Nothing in this [r]Rule shall require the Exchange to impose a fine pursuant to this [r]Rule with respect to the violation of any Rule included in any such listing.

Interpretations and Policies

.01 List of Exchange Rule Violations and Recommended Fine Schedule Pursuant to Rule 8.15:

(No changes.)

(a)-(d) (No changes.)

(e) Rule 12.11 Interpretation and Policy .01 and Exchange Act Rule 604 – Failure to properly display limit orders

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Rule 25.3 Penalty for Minor Rule Violations

The following EDGX Options rule and policy violations may be determined by the Exchange to be minor in nature. If so, the Exchange may, with respect to any such violation, proceed under Rule 8.15 (Imposition of Fines for Minor Violation(s) of Rules) and impose the fine set forth below. The Exchange is not required to proceed under said Rules as to any rule violation and may, whenever such action is deemed appropriate, commence a disciplinary proceeding under Chapter VIII (Discipline) rules as to any such violation. A subsequent violation is calculated on the basis of a rolling 24-month period (“Period”).

(a)-(c) (No changes.)

(d) Continuous Quotes

Violations of Rule 22.6(d) regarding Market Maker continuous bids and offers shall be subject to the fines listed below.[Violations of the rule that continue over consecutive trading days will be subject to a separate fine, pursuant to this paragraph (d), for each day during which the violation occurs and is continuing up to a limit of fifteen consecutive trading days. In calculating fine thresholds for each Market Maker, all violations occurring within the Period in any of the Market Makers registered series are to be added together.]

Number of Violations Within One Period*	Fine Amount
1	Letter of Caution
[2 or more]	[\$300 per day]
<u>2</u>	<u>\$1,000</u>
<u>3</u>	<u>\$2,500</u>
<u>4</u>	<u>\$5,000</u>
<u>5 or more</u>	<u>Formal Disciplinary Action</u>

* Violations occurring during a calendar month are aggregated and sanctioned as a single offense.

(e) - (f) (No changes.)

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