

Proposed new language is italicized; proposed deletions are marked by [brackets].

**National Stock Exchange, Inc.**  
**Fee and Rebate Schedule**  
**Updated as of March 15, 2013**

The following reflects the Schedule of Fees and Rebates (pursuant to Rule 16.1(a) and Rule 16.1(c)) for the National Stock Exchange, Inc. (“NSX”). Order matching computations are made on a monthly basis unless otherwise noted. All references to “per share” mean “per share executed.”

**I. AUTOMATIC EXECUTION (Auto-Ex) MODE<sup>1</sup>**

**Securities \$1 and Above (All Tapes)**

**Orders That Add and Take Liquidity<sup>2,\*,\*\*</sup>:**

Each ETP Holder will be charged \$0.0030 per share for any marketable order that removes liquidity unless the ETP Holder executes at least 50,000 shares of added liquidity in Auto-Ex Mode per month.

The “Fixed Fee Schedule” will apply to each ETP Holder that executes at least 50,000 shares per month of added liquidity in Auto-Ex Mode unless the ETP Holder elects to adopt the “Variable Fee Schedule” by sending an email indicating this preference to [NSXTrading@NSX.com](mailto:NSXTrading@NSX.com) prior to 4:00pm EST on the first trading day of the calendar month.

Tier	ADV <sup>4</sup>	Variable Fee Schedule			Fixed Fee Schedule	
		Rebate to add liquidity (per share)	Fee to remove liquidity (per share)	MDR <sup>6</sup> %	Rebate to add liquidity (per share)	Fee to remove liquidity (per share)
1	0 & < 0.5 million shares traded	\$0.0024	\$0.0030	- %	\$0.0024	\$0.0030
2	≥ 0.5 & < 1.5 million shares traded	0.0026	0.0030	50	0.0030	0.0029
3	≥ 1.5 & < 5.0 million shares traded	0.0027	0.0030	50	0.0031	0.0029
4	≥ 5.0 & < 10.0 million shares traded	0.0028	0.0029	50	0.0032	0.0028
5	≥ 10.0 & < 20.0 million shares	0.0029	0.0028	50	0.0033	0.0027

traded						
6	≥ 20.0 million shares traded or more	0.0029	0.0026	50	0.0033	0.0027

\* An ETP Holder that posts a Midpoint Peg Zero Display Reserve Order shall receive a fixed rebate of \$0.0017 per executed share. These shares shall be included in the ADV calculation but are not eligible for additional rebates under Section I.

\*\* An ETP Holder that removes liquidity using a Midpoint-Seeker Order shall be charged a fixed fee of \$0.0020 per executed share. These shares shall be included in the ADV calculation but not subject to additional fees under Section I.

### Securities Under \$1 (All Tapes)

#### Orders That Add and Take Liquidity<sup>2</sup>:

Tier	ADV <sup>4</sup>	Fee Schedule	
		Rebate to add liquidity (per share)	Fee to remove liquidity (per share)
1	All	Lesser of: 0.25% of trade value <sup>7</sup> and 25% of the quote spread <sup>8</sup>	0.30% of trade value

## II. ORDER DELIVERY MODE<sup>9</sup>

ETP Holders are to elect Pricing Option A or B below by sending an email indicating their preference to [NSXTrading@NSX.com](mailto:NSXTrading@NSX.com) prior to the first trading day of the calendar month. New Order Delivery Participants must email [NSXTrading@NSX.com](mailto:NSXTrading@NSX.com) prior to the end of the first month they commence trading.

### Pricing Option A

#### Securities \$1 and Above (All Tapes)

#### Orders That Add and Take Liquidity: (Rebate to add liquidity)

<u>Transaction</u> Rebate (per share)	MDR <sup>6</sup> %
\$0.0030	50%

Order Delivery Notification Fee. An ETP Holder shall pay \$0.35 for each Order Delivery Notification, up to 1.5 million Order Delivery Notifications per month, delivered by the System to that ETP Holder for potential execution against a posted displayed or undisplayed order.

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### **Securities Under \$1 (All Tapes)**

Order Delivery Notification Fee. An ETP Holder shall pay \$0.35 for each Order Delivery Notification, up to 1.5 million Order Delivery Notifications per month, delivered by the System to that ETP Holder for potential execution against a posted displayed or undisplayed order.

### **Pricing Option B**

An ETP Holder that elects Pricing Option B is not eligible for the Transaction Rebate and MDR outlined under Pricing Option A above. An ETP Holder that elects Pricing Option B will also not be subject to Order Delivery Notification Fee under Pricing Option A or the Quotation Update Fee under Section IV below.

## **III. OTHER SERVICES**

*No Change.*

## **IV. REGULATORY FEE**

Each ETP Holder shall be charged a regulatory fee of \$500 per calendar month, payable monthly.

### **Quotation Update Fee for Order Delivery Participants Only.**

Fee per quotation update: \$0.000467

### **New Order Delivery Participants.**

Fee per quotation update for first 3 months: \$0.000667\*

Onboarding Fee: \$5,000.00

A “quotation update” includes any change to the price, size or side of a quotation or submission of an updated quote with the same price, size or side.

The Quotation Update Fee will only be applied to an Order Delivery Participant’s first 150 million quotation updates each calendar month.

\* New Order Delivery participants will not be subject to the standard quotation update fee of \$0.000467 during their first three months of operation.

## V. CONNECTIVITY FEE

*No Change.*

Explanatory endnotes:

- (1) As specified in Rule 11.13(b)(1).
- (2) Except for Midpoint Peg Zero Display Reserve Orders (as specified in Rule 11.11(c)(2)(B)), only “Displayed Orders” are eligible for a rebate. Displayed Orders mean orders that are not “Zero Display Orders” (which means “Zero Display Reserve Orders” as specified in Rule 11.11(c)(2)(A)).
- (3) Reserved.
- (4) “Auto-Ex ADV” means, with respect to an ETP Holder<sup>13</sup>, the average number of shares the ETP Holder has executed in Auto-Ex Mode on the Exchange in all NMS stocks when the Exchange is open for trading (excluding partial trading days) (or partial month, as applicable<sup>14</sup>). Only shares executed by an ETP Holder in Auto-Ex Mode will be used by the Exchange to calculate the minimum ADV contained in Section I. Regardless of an ETP Holder’s Auto-Ex ADV, an ETP Holder shall receive a fixed per share rebate for Midpoint Peg Zero Display Reserve Orders, and that ETP Holder will not be eligible for additional rebates under Section I above.
- (5) Reserved.
- (6) Market Data Revenue (“MDR”) Rebates:
  - (a) Assuming the minimum ADV threshold(s) are achieved, an ETP Holder will receive a MDR Rebate (in such percent as is specified above) of the MDR attributable to such ETP Holder’s trading and quoting of Displayed Orders at prices equal to or greater than one dollar in Auto-Ex Mode or Order Delivery Mode, as applicable. ETP Holders will not receive MDR Rebates attributable to (x) Zero Display Orders or (y) securities quoted at prices less than one dollar.
  - (b) Adjustments. To the extent market data revenue from Tape “A”, “B” or “C” transactions is subject to any adjustment, rebates provided under this program may be adjusted accordingly.
  - (c) De Minimis Rebates. An ETP Holder will not receive a MDR Rebate in any calendar quarter in which the MDR Rebate attributable to the ETP Holder is less than \$250.
  - (d) Quarterly Payments. MDR Rebates will be paid on a quarterly basis.

(7) “Trade value” means a dollar amount equal to the price per share multiplied by the number of shares executed.

(8) “Quote spread” means a dollar amount equal to the number of shares executed multiplied by the difference at the time of execution between (x) the price per share of the national best bid, and (y) the price per share of the national best offer, in each case as such quotes are disseminated pursuant to an effective National Market System plan and as the terms “national best bid” and “national best offer” are defined in Rule 600 of Regulation NMS; provided, that no rebate based on the quote spread shall be payable during any period in which the market is locked or crossed.

(9) As specified in Rule 11.13(b)(2). A marketable order entered with a handling instruction other than Post Only through an order delivery session by an ETP Holder that is an order delivery participant will be subject to the Auto-Ex Mode fee schedule contained in Section I above.

(10) Reserved.

(11) Orders that are routed via NSX and executed in another market center.

(12) Authorized recipients of the Exchange’s Depth of Book feed must execute required documentation with, and be approved by, the Exchange prior to receiving the service.

(13) Upon verification and approval by NSX, the number of shares executed by ETP Holders under common ownership and control will be aggregated for purposes of calculating average daily volumes. See Rule 16.3.

(14) In the event of any change to this Fee and Rebate Schedule at other than the end of a calendar month, volume calculations will be made on the basis of such number of full trading days within such month during which the unchanged pricing or rebate program’s terms are in effect.

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