

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

## Rules of National Stock Exchange, Inc.

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### CHAPTER XI. Trading Rules

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#### Rule 11.19. Clearly Erroneous Executions

The provisions of paragraphs (c), (e)(2), (g), and (h) of this Rule, as amended on September 10, 2010, and the provisions of paragraph [(i)] (j), shall be in effect during a pilot period set to end on [September 30, 2013] April 8, 2014 as defined in Commentary .05 of Rule 11.20. If the pilot is not either extended or approved permanently by [September 30, 2013] April 8, 2014, the prior versions of paragraphs (c), (e)(2), (g), and (h) shall be in effect, and the provisions of paragraph[(i)] (j) shall be null and void.

(a) – (b) *No changes.*

(c) *Thresholds.* Determinations of whether an execution is a clearly erroneous execution will be made as follows:

(1) *Numerical Guidelines.* Subject to the provisions of paragraph (c)(3) below, a transaction executed during Regular Trading Hours or outside Regular Trading Hours shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below. The execution time of the transaction under review determines whether the threshold is Regular Trading Hours or outside Regular Trading Hours. The Reference Price will be equal to the consolidated last sale immediately prior to the execution(s) under review except for: (A) Multi-Stock Events involving twenty or more securities, as described in Rule 11.19(c)(2) below; [(B) transactions not involving a Multi-Stock Event as described in Rule 11.19(c)(2) that trigger a trading pause pursuant to, or with respect to securities defined in, Rule 11.20B(a)(1) and subsequent transactions, as described in Rule 11.19(c)(4) below, in which case the Reference Price shall be determined in accordance with Rule 11.19 (c)(4);] and [(C)] (B) in other circumstances, such as, for example, relevant news impacting a security or securities, periods of extreme market volatility, sustained illiquidity, or widespread system issues, where use of a different Reference Price is necessary for the maintenance of a fair and orderly market and the protection of investors and the public interest.

| Reference Price[.], Circumstance or Product                                                                                                            | Regular Trading Hours Numerical Guidelines (Subject transaction's % difference from the Reference Price): | Outside Regular Trading Hours Numerical Guidelines (Subject transaction's % difference from the Reference Price): |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Greater than \$0.00 up to and including \$25.00                                                                                                        | 10%                                                                                                       | 20%                                                                                                               |
| Greater than \$25.00 up to and including \$50.00                                                                                                       | 5%                                                                                                        | 10%                                                                                                               |
| Greater than \$50.00                                                                                                                                   | 3%                                                                                                        | 6%                                                                                                                |
| Multi-Stock Event – Filings involving five or more, but less than twenty, securities whose executions occurred within a period of five minutes or less | 10%                                                                                                       | 10%                                                                                                               |
| Multi-Stock Event – Filings involving twenty or more securities whose executions occurred within a period of five minutes or less                      | 30%, subject to the terms of 11.19(c)(2) below                                                            | 30%, subject to the terms of 11.19(c)(2) below                                                                    |
| Leveraged ETF/ETN securities                                                                                                                           | Regular Trading Hours Numerical Guidelines multiplied by the leverage multiplier ([ie.] i.e., 2x)         | Regular Trading Hours Numerical Guidelines multiplied by the leverage multiplier ([ie.] i.e., 2x)                 |

(2) *Multi-Stock Events Involving Twenty or More Securities.* During Multi-Stock Events involving twenty or more securities the number of affected transactions may be such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. In such circumstances, the Exchange may use a Reference Price other than consolidated last sale. [With the exception of those securities under review that are subject to an individual stock trading pause pursuant to, or with respect to securities defined in, Rule 11.20B(a)(1) as described in paragraph (c)(4) below, and to] To ensure consistent application across market centers when this

paragraph is invoked, the Exchange will promptly coordinate with the other market centers to determine the appropriate review period, which may be greater than the period of five minutes or less that triggered application of this paragraph, as well as select one or more specific points in time prior to the transactions in question and use transaction prices at or immediately prior to the one or more specific points in time selected as the Reference Price. The Exchange will nullify as clearly erroneous all transactions that are at prices equal to or greater than 30% away from the Reference Price in each affected security during the review period selected by the Exchange and other markets consistent with this paragraph.

(3) *Additional Factors.* Except in the context of a Multi-Stock Event involving five or more securities, [and individual stock trading pauses pursuant to, or with respect to securities defined in, Rule 11.20B(a)(1) as described in Rule 11.19(c)(4) below,] an Officer may also consider additional factors to determine whether an execution is clearly erroneous, including but not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an IPO, whether the security was subject to a stock-split, reorganization, or other corporate action, overall market conditions, Opening and Late Session executions, validity of the Consolidated Tape's trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern of the security. Each additional factor shall be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

[(4) *Individual Stock Trading Pauses Pursuant to, or with Respect to Securities Defined In, Rule 11.20B(a)(1).* For purposes of this Rule 11.19(c)(4), the phrase "Trading Pause Trigger Price" shall mean the price that triggered a trading pause in any Circuit Breaker Securities as defined in Rule 11.20B(a)(1). All trading pauses triggered with respect to securities defined in Rule 11.20B(a)(2) and 11.20B(a)(3) shall be reviewed under the same provisions of Rule 11.19 as non pause triggered events. The Trading Pause Trigger Price reflects a price calculated by the primary listing market over a rolling five-minute period and may differ from the execution price of a transaction that triggered a trading pause. In the event a primary listing market issues an individual stock trading pause in any Circuit Breaker Securities defined in Rule 11.20B(a)(1), and regardless of whether the security at issue is part of a Multi-Stock Event involving five or more securities as described in Rules 11.19(c)(1) and (c)(2) above, the Exchange shall utilize the Trading Pause Trigger Price as the Reference Price for any transactions that trigger a trading pause with respect to securities defined in 11.20B(a)(1) and subsequent transactions occurring before the trading pause is in effect on the Exchange. The Exchange will rely on the primary listing market that issued an individual stock trading pause to determine and communicate the Trading Pause Trigger Price for such stock. Notwithstanding the discretion otherwise provided by the first sentence of 11.19(h) below, the Exchange shall

review, on its own motion pursuant to 11.19(h), transactions that trigger a trading pause and subsequent transactions occurring before the trading pause is in effect on the Exchange. In connection with the review of transactions pursuant to this Rule 11.19(c)(4), the Exchange will apply the Numerical Guidelines set forth in 11.19(c)(1) above other than the Numerical Guidelines applicable to Multi-Stock Events. In conducting this review, and notwithstanding anything to the contrary contained in 11.19(c)(1), where a trading pause was triggered with respect to securities defined in 11.20B(a)(1) by a price decline (rise), the Exchange will limit its review to transactions that executed at a price lower (higher) than the Trading Pause Trigger Price.]

(d) – (g) *No changes.*

(h) *Officer of the Exchange or Such Other Senior Level Employee Designee Acting On Own Motion.* An officer of the Exchange or such other senior level employee designee, acting on [its] his or her own motion, may review potentially erroneous executions and declare trades null and void or shall decline to take any action in connection with the completed trade(s). In such events, the officer of the Exchange or such other senior level employee designee will rely on the provisions of Section (c)(1)–(3)[(4)] of this Rule. Absent extraordinary circumstances, any such action of the officer of the Exchange or such other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the officer of the Exchange or such other senior level employee designee must be taken by no later than the start of Regular Trading Hours on the trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of subsection (e)(2) above.

(i)-(j) *No changes.*