(p) **PNP Order.** A PNP Order (Post No Preference) is a Limit Order to buy or sell that is to be executed in whole or in part on the Exchange, and the portion not so executed is to be ranked in the Consolidated Book, without routing any portion of the order to another Market Center; provided, however, the Exchange shall cancel a PNP Order that would lock or cross the NBBO. A PNP Order that is designated as IOC Order will be treated as an IOC Order (per Rule 900.3NY(k)), such that any unexecuted portion shall cancel.

A Repricing PNP Order, as defined in paragraph (p)(1) of this Rule, received during pre-open or during a trading halt will be treated as a PNP Order (i.e., as a Limit Order and will not reprice) for purposes of participating in opening auctions or re-opening auctions.

(1) **Repricing PNP Order (“RPNP”).** A RPNP is a PNP Order that will be repriced instead of cancelled after trading with interest in the Consolidated Book, if it would lock or cross the NBBO as set forth in paragraph (A) below. A RPNP may only be entered as a Day Order.

(A) A RPNP to buy (sell) that would lock or cross the NBO (NBB) will be displayed at a price one MPV below (above) the NBO (NBB). If the NBO (NBB) moves up (down), the display price of the RPNP and the undisplayed price at which it is eligible to trade will be continuously adjusted, up (down) to the limit price of the RPNP.

(i) A RPNP to buy (sell) that is displayed at a price one MPV below (above) the NBO (NBB) will trade at the NBO (NBB); provided, however, that if the NBO (NBB) updates to lock or cross the RPNP’s display price, such RPNP will trade at its display price.
(ii) Each time there is an update to the price of the RPNP, the Exchange will rank the RPNP with other eligible interest at that price, and the RPNP will trade at each price point, to the extent possible, pursuant to Rule 964NY.

(B) An incoming RPNP will be cancelled if its limit price to buy (sell) is more than a configurable number of MPVs above (below) the initial display price (on arrival), after first trading with eligible interest, if any. The Exchange will determine the configurable number of MPVs, which will be announced by Trader Update.

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Rule 925.1NY. Market Maker Quotes

(a) A Market Maker may enter electronic quotations only in the issues included in its appointment.

(1) Quote or Quotation. The term “quote” or “quotation” means a bid or offer entered by a Market Maker that updates the Market Maker's previous bid or offer, if any.

(2) A quotation will not route.

(3) A Market Maker may designate a quote as follows:

(A) Market Maker - Light Only Quotation (“MMLO”). [A Market Maker may designate a quotation as MMLO and such incoming quotation will only be eligible, upon arrival, a quotation designated MMLO will [to] trade with displayed interest in the Consolidated Book only. Once resting, any unexecuted portion of an MMLO posts to the Consolidated Book, the MMLO designation no longer applies and such quotation is eligible to trade with displayed and undisplayed interest.

(B) Market Maker - Repricing Quotation (“MMRP”). Neither an arriving nor resting quotation designated MMRP will display at a price that locks or crosses the NBBO. An MMRP will be repriced as provided for in Rule 925.1NY(a)(4)(B).

[(3)][(4)Treatment of Market Maker Quotations. When a series is open for trading, a quotation[, including a quotation designated as MMLO,] will trade against interest in the Consolidated Book as follows:

(A) An incoming quotation will trade with contra-side interest in the Consolidated Book at prices that do not trade through the NBBO[interest on another Market Center].
(B) After trading with interest in the Consolidated Book, an incoming MMRP to buy (sell) that locks or crosses the NBO (NBB) will be displayed at a price that is one MPV below (above) the NBO (NBB). If the NBO (NBB) moves up (down), the display price of an MMRP and the undisplayed price at which it is eligible to trade will be continuously adjusted, up (down) to the MMRP’s limit price.

(i) An MMRP to buy (sell) that is displayed at a price one MPV below (above) the NBO (NBB) will trade at the NBO (NBB); provided, however, that if the NBO (NBB) updates to lock or cross the MMRP’s display price, such MMRP will trade at its display price.

(ii) Each time there is an update to the price of the MMRP, the Exchange will rank the MMRP with other eligible interest at that price, and the MMRP will trade at each price point, to the extent possible, pursuant to Rule 964NY.

[(B)][(C)] Any untraded quantity of an incoming quotation will be added to the Consolidated Book, [unless] except in the circumstances specified below, which result in the remaining balance being canceled:

(i) it is not designated as MMRP and locks or crosses the NBBO[interest on another Market Center];

(ii) [or] it is designated as MMLO and locks or crosses undisplayed interest; or[. In both cases, the quotation will be cancelled.]

(iii) it is designated as an MMRP and the limit price of the MMRP is more than a configurable number of MPVs above (below) the initial display price (on arrival). In such cases, the incoming MMRP will first trade with marketable interest in the Consolidated Book up (down) to the NBO (NBB) and any remaining balance will be cancelled. The Exchange will determine the configurable number of MPVs, which will be announced by Trader Update.

When such quantity of an incoming quotation is cancelled, the Exchange will also cancel the Market Maker’s current quotation on the opposite side of the market.

[(C)][(D)] An incoming quotation will be rejected, and the Exchange will cancel the Market Maker’s current quotation on the same side of the market, if:

(i) it is not designated as MMRP and locks or crosses the NBBO[interest on another Market Center] and cannot trade with interest in the Consolidated Book at prices that do not trade through the NBBO[another Market Center]; [or]
(ii) it is designated as MMLO, locks or crosses undisplayed interest, and cannot trade with displayed interest in the Consolidated Book at prices that do not trade through the NBBO[another Market Center.]; or

(iii) it is designated as MMRP (that does not trade on arrival), and has a limit price to buy (sell) that is more than a configurable number of MPVs above (below) the initial display price of the MMRP. The Exchange will determine the configurable number of MPVs, which will be announced by Trader Update.

[When an incoming quotation is rejected, the Exchange will cancel the Market Maker's current quotation on the same side of the market.]

(D) A quotation will not route.]

(5) When a series is not open for trading (i.e., during pre-open or a trading halt), a Market Maker may submit an MMRP, which will be eligible to participate in the opening auction and re-opening auction (as applicable) at the limit price of the MMRP. All resting quotations will be cancelled in the event of a trading halt.

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Rule 971.1NY. Single-Leg Electronic Cross Transactions

(a) An ATP Holder (“Initiating Participant”) may electronically submit for execution into the Customer Best Execution Auction (“CUBE Auction” or “Auction”) a limit order it represents as agent on behalf of a public customer, broker dealer, or any other entity (“CUBE Order”) provided that the Initiating Participant guarantees the execution of the CUBE Order by submitting a contra-side order (“Contra Order”) representing principal interest or non-Customer interest it has solicited to trade solely with the CUBE Order at a specified price (“stop price”) or by utilizing auto-match or auto-match limit features as described in paragraphs (c)(1)(B) and (c)(1)(C) of this Rule. The stop price and any use of auto-match or auto-match limit are not displayed. An Auction begins with an “initiating price,” which for a CUBE Order to buy (sell) shall be the lower (higher) of the CUBE Order's limit price or the National Best Offer (“NBO”) (National Best Bid (“NBB”)), except as provided for in paragraph (b)(1)(B) of this Rule. At the conclusion of the Auction, the CUBE Order may execute at multiple prices within a permissible range, as specified in paragraph (b)(1) of this Rule.

(b) CUBE Auction Eligibility Requirements. All options traded on the Exchange are eligible for the CUBE Auction. For purposes of determining whether a CUBE Order is eligible to initiate an Auction, references to the National Best Bid or Offer (“NBBO”) or Exchange Best Bid or Offer (“BBO”) refer to the quoted market at the time the Auction is initiated. The time at which the Auction is initiated shall also be considered the time of execution for the CUBE Order and the execution of orders in the Auction shall qualify as
exceptions to Trade-Through Liability, pursuant to Rule 991NY(b)(5) and (9). An Initiating Participant may initiate a CUBE Auction provided all of the following are met:

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(9) If the NBBO is locked or crossed when a CUBE Order is submitted, it will be rejected.

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(c) Auction Process. Only one Auction may be conducted at a time in any given series. Once commenced, the CUBE Order (as well as the Contra Order) may not be cancelled or modified, and shall proceed as follows:

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(2) CUBE Auction Request for Responses (“RFR”) and Response Time Interval

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(C) Any ATP Holder may respond to the RFR, provided such response is properly marked specifying price, size and side of the market (“RFR Response”). The Auction shall accept RFR Responses as follows:

(i) GTX Order - A GTX Order is a non-routable order with a time-in-force contingency for the Response Time Interval and must specify price, size and side of the market.

(a) GTX Orders shall not be displayed on the Consolidated Book or disseminated to any participants. A GTX Order that is not fully executed as provided for in paragraphs (c)(4) and (5) of this Rule shall be cancelled at the conclusion of the Auction.

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(ii) Unrelated quotes and orders - Quotes and orders on the opposite side of the market in the same series as the CUBE Order that are not marked GTX, that are received during the Response Time Interval or resting in the Consolidated Book when the Auction commences, and that are eligible to participate within the range of permissible executions specified for the Auction pursuant to paragraph (b)(1) of this Rule shall also be considered RFR Responses.

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(4) Early Conclusion of Auction. A CUBE Auction shall conclude before the end of the Response Time Interval as described in paragraphs (c)(4)(A)-(F) of this Rule. If there is an early conclusion of the Auction, the CUBE Order will execute as follows:

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(B) Same Side Marketable Against RFR Responses or NBBO (or BBO) at the Time of Arrival. A CUBE Auction will conclude early if the Exchange receives during the Response Time Interval an unrelated quote or order that is on the same side of the market as the CUBE Order, that is marketable against any RFR Responses or the NBBO (or the BBO, for a non-routable order that is not a PNP Order) at the time of arrival. When the Auction concludes, the CUBE Order will execute pursuant to paragraph (c)(5) of this Rule. Any [GTX Orders]RFR Responses that do not execute in the CUBE Auction will execute against the unrelated quote or order that caused the CUBE Auction to conclude early to the extent possible and GTX Orders will then cancel. Contracts remaining, if any, from any unrelated quote or order when the Auction has concluded will be processed in accordance with Rule 964NY Order Display and Priority.

(C) Opposite Side Marketable Against Interest in the Consolidated Book, the NBBO (or BBO) at the Time of Arrival. A CUBE Auction will conclude early if the Exchange receives during the Response Time Interval any RFR Response that is marketable against any interest resting in the Consolidated Book, the NBBO (or the BBO, for a non-routable order that is not a PNP Order) at the time of arrival. When the Auction concludes, the CUBE Order will execute consistent with paragraph (b)(3) of this Rule and as follows:

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(D) Same Side Incoming Interest Would Create an Adjusted Range of Permissible Executions that Improves initiating price. A CUBE Auction will conclude early if the Exchange receives during the Response Time Interval an unrelated, non-marketable quote or limit order that is on the same side of the market as the CUBE Order to buy (sell) and that would adjust the lower (upper) bound of the range of permissible executions to be higher (lower) than the initiating price. When the Auction concludes, the CUBE Order will execute pursuant to paragraph (c)(5) of this Rule. Unfilled RFR Responses[GTX Orders] are eligible to execute against the unrelated interest that caused the CUBE Auction to conclude early and GTX Orders will then [will] cancel. Contracts remaining, if any, from such unrelated quote or order at the time the Auction ends will be processed in accordance with Rule 964NY Order Display and Priority.

(i) Same-side IOC Orders that otherwise would meet the requirements of paragraph (c)(4)(D) will cause an Auction to end early (and be processed thereunder) even if the IOC Order cancels without trading.
(5) **Order Allocation.** When the Auction concludes, any RFR Response that exceeds the size of the CUBE Order will be capped at the CUBE Order size for purposes of size pro rata allocation of the CUBE Order per Rule 964NY(b)(3), and the CUBE Order will be allocated at the best price(s) as follows:

(A) At each price level, any **displayed** Customer orders resting on the Consolidated Book at the start of the CUBE Auction shall have first priority, followed by **displayed** Customer orders that arrived during the CUBE Auction as RFR Responses, pursuant to Rule 964NY(c)(2)(A).

(B) After displayed Customer interest at a particular price level has been satisfied, remaining contracts shall be allocated among the Contra Order and RFR Responses as follows:

(i) **Single stop price:** For a CUBE Order to buy (sell), CUBE executions will occur as follows:

   (a) first to RFR Responses priced below (above) the stop price, beginning with the lowest (highest) price within the range of permissible executions. At each price point, the CUBE Order shall be allocated first to GTX Orders and displayed RFR Responses pursuant to the size pro rata algorithm set forth in Rule 964NY(b)(3), and next to any undisplayed RFR Responses at that price in time priority, pursuant to Rule 964NY(c) at each price point.

   (b) Any remaining contracts of the CUBE Order shall execute at the stop price. At the stop price, if there is sufficient size of the CUBE Order still available after executing at prices below (above) the stop price or against Customer interest, the Contra Order shall receive an allocation of the greater of 40% of the original CUBE Order size or one contract (or the greater of 50% of the original CUBE Order size or one contract if there is only one RFR Response). Any remaining CUBE Order contracts at the stop price shall be allocated first among remaining GTX Orders and displayed RFR Responses pursuant to the size pro rata algorithm set forth in Rule 964NY(b)(3), and next to undisplayed RFR Responses pursuant to Rule 964NY(c). If all RFR Responses are filled, any remaining CUBE Order contracts shall be allocated to the Contra Order.

   (c) If there are no RFR Responses, the CUBE Order shall execute against the Contra Order at the higher (lower) of the stop price or the lower (upper) bound of the range of permissible executions.

(ii) **Auto-match:** For a CUBE Order to buy (sell), CUBE executions will occur as follows:
(a) the Contra Order shall be allocated an equal number of contracts as the aggregate size of all other RFR Responses at each price level starting with the lowest (highest) price at which an execution against an RFR Response occurs within the range of permissible executions until a price point is reached where the balance of the CUBE Order can be fully executed (the “clean-up price”).

(b) At the clean-up price, if there is sufficient size of the CUBE Order still available after executing at better prices or against Customer interest, the Contra Order shall receive additional contracts required to achieve an allocation equal to the greater of 40% of the original CUBE Order size or one contract (or the greater of 50% of the original CUBE Order size or one contract if there is only one RFR Response). If the Contra Order meets its allocation guarantee at a price below (above) the clean-up price, it will cease matching RFR Responses that may be priced above (below) the price at which the Contra Order received its allocation guarantee. If there are other RFR Responses at the clean-up price, the remaining CUBE Order contracts will be allocated [to such interest] first to GTX Orders and displayed RFR Responses pursuant to the size pro rata algorithm set forth in Rule 964NY(b)(3), and next to any undisplayed RFR Responses at that price in time priority, pursuant to Rule 964NY(c). If all RFR Responses are filled, any remaining CUBE Order contracts shall be allocated to the Contra Order at the initiating price.

(c) If there are no RFR Responses, the CUBE Order shall execute against the Contra Order at the initiating price.

(iii) Auto-match limit: For a CUBE Order to buy (sell), the CUBE executions will occur as follows:

(a) first to RFR Responses at each price level priced below (above) the auto-match limit price (if any) within the range of permissible executions, beginning with the lowest (highest) price[.]. At each price point, the CUBE Order shall be allocated first to GTX Orders and displayed RFR Responses pursuant to the size pro rata algorithm set forth in Rule 964NY(b)(3), and next to any undisplayed RFR Responses at that price in time priority, pursuant to Rule 964NY(c).[at each price point];

(b) next, to RFR Responses at a price equal to the price of the Contra Order’s auto-match limit price, and if volume remains, to prices higher (lower) than the auto-match limit price. At each price point equal to or higher (lower) than the auto-match limit price, the Contra Order shall be allocated contracts equal to the aggregate size of all other RFR Responses. At the clean-up price, if there is sufficient size of the CUBE Order still available after executing at better prices or against Customer interest, the Contra Order shall receive additional contracts required to achieve an allocation of the greater of
40% of the original CUBE Order size or one contract (or the greater of 50% of the original CUBE Order size or one contract if there is only one RFR Response). If the Contra Order meets its allocation guarantee at a price below (above) the clean-up price, it will cease matching RFR Responses that may be priced above (below) the price at which the Contra Order received its allocation guarantee. If there are other RFR Responses at the clean-up price the remaining CUBE Order contracts will be allocated [to such interest] first to GTX Orders and displayed RFR Responses pursuant to the size pro rata algorithm set forth in Rule 964NY(b)(3), and next to any undisplayed RFR Responses at that price in time priority, pursuant to Rule 964NY(c). Any remaining CUBE Order contracts shall be allocated to the Contra Order at the initiating price.

(c) If there are no RFR Responses, the CUBE Order shall execute against the Contra Order at the initiating price.

(C) After the CUBE Order has been executed, any remaining RFR Responses not marked GTX will be processed in accordance with Rule 964NY Order Display and Priority.

(D) A single RFR Response shall not be allocated a number of contracts that is greater than its size.

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