

Text of the Proposed Rule Change:¹

Rules of The NYSE Arca, Inc.

RULE 6

OPTIONS TRADING

[Rule 6.96.

Temporary Rule Governing P and P/A Orders

(a) *Receipt of P and P/A Orders* The Exchange will provide for the execution of P/A Orders and Principal Orders if its disseminated quotation is (i) equal to or better than the Reference Price, and (ii) equal to the then-current NBBO. If the size of a P/A Order or Principal Order is not larger than the Displayed Size, the Exchange will provide for the execution of the entire order, and shall execute such order in its automatic execution system if that system is available. If the size of a P/A Order or Principal Order is larger than the Displayed Size, the Exchange will provide an execution for the Displayed Size and shall execute such order in its automatic execution system if that system is available. If the order is not executed in full, the Exchange will move its disseminated quotation to a price inferior to the Reference Price.

(b) *Failure to Send a Timely Response.* If the Exchange responds to a P Order or P/A Order more than 3 seconds after receipt of that order, and the Eligible Exchange to whom the Exchange responded cancels such response, the Exchange shall cancel any trade resulting from such order and shall report the cancellation to OPRA.

(c) *Limitation of Liability.* The Options Clearing Corporation shall have no liability to OTP Holders with respect to the use, non-use or inability to use the OCC Hub, including without limitation the content of orders, trades, or other business facilitated through the OCC Hub, the truth or accuracy of the content of messages or other information transmitted through the OCC Hub, or otherwise.

(d) *Definitions.* The following terms shall have the meaning specified in this Rule solely for the purpose of this Temporary Rule 6.96:

- (1) "Eligible Option Class" means all option series overlying a security (as that term is defined in Section 3(a)(10) of the Exchange Act) or group of securities, including both put options and call options, which class is traded on the Exchange and at least one other Eligible Exchange.

¹ New text is underscored; deleted text is in brackets.

- (2) "Displayed Size" means the size of the disseminated quotation of the Eligible Exchange receiving a P or P/A Order.
- (3) "OCC Hub" means the systems and data communications network that link electronically the Eligible Exchanges for the purposes specified in the former Plan for the Purpose of Creating and Operating an Intermarket Option Linkage.
- (4) "P or P/A Order" means an Immediate or Cancel Order routed through the OCC Hub:
- (i) "Principal Acting as Agent ("P/A") Order," which is an order for the principal account of a Lead Market Maker (or equivalent entity on another Eligible Exchange that is authorized to represent Public Customer orders), reflecting the terms of a related unexecuted Public Customer order for which the Lead Market Maker is acting as agent; and
 - (ii) "Principal Order," which is an order for the principal account of a market maker (or equivalent entity on another Eligible Exchange) and is not a P/A Order.
- (5) "Reference Price" means the limit price attached to a P or P/A Order by the sending Eligible Exchange. The Reference Price is equal to the bid disseminated by the receiving Eligible Exchange at the time that the P or P/A Order is transmitted in the case of a P or P/A Order to sell and the offer disseminated by the receiving Eligible Exchange at the time that the P or P/A Order is transmitted in the case of a P or P/A Order to buy.]

RULE 14

LIABILITY OF DIRECTORS AND EXCHANGE

[Rule 14.5.

Liability for Options Intermarket Linkage

(a) The Exchange operates the Options Intermarket Linkage ("Linkage") for its OTP Holders or associated persons therewith pursuant to Rules 6.92-6.96. It shall be the responsibility of each OTP Holder or associated person therewith to verify the accuracy of transactions sent and received through the Linkage. The Linkage, as used to send orders and other information to or from the Exchange, is a facility or service afforded by the Exchange for purposes of Rule 14.2

(b) The Options Clearing Corporation, its affiliates, officers, directors, shareholders, agents and employees (collectively "OCC"), shall not be liable to OTP Holders or associated persons therewith for any loss, damage, claim or expense arising out of the use, non-use, or inability to use the Linkage, including without limitation the content of orders, trades, or other business facilitated through the Linkage, the truth or accuracy of the content of messages or other information transmitted through the Linkage, the delays in transmission of orders, trades, or otherwise.]
