Rule 7.25 Crowd Participant Program

The NYSE Arca Crowd Participant Program ("CP Program") shall be effective on a pilot basis from [date] to [date one calendar year after implementation].

(a) Crowd Participant Definition. A Crowd Participant ("CP") is an ETP Holder that:

(1) is qualified as a Market Maker, and in good standing, on the Exchange;

(2) electronically enters quotes and orders into the systems and facilities of the Exchange; and

(3) is obligated to maintain a displayed bid or offer at the National Best Bid ("NBB") or the National Best Offer ("NBO"), respectively, in each assigned exchange-traded product ("ETP") consistent with paragraph (g) below.

(b) Eligible Products.

An ETP shall be eligible to participate in the CP Program if:

(1) it is listed on the Exchange as of the commencement of the pilot period or becomes listed during the pilot period;

(2) the listing is under NYSE Arca Equities Rules 5.2(j)(3) (Investment Company Units), 5.2(j)(5) (Equity Gold Shares), 8.100 (Portfolio Depositary Receipts), 8.200 (Trust Issued Receipts), 8.201 (Commodity-Based Trust Shares), 8.202 (Currency Trust Shares), 8.203 (Commodity Index Trust Shares), 8.204 (Commodity Futures Trust Shares), 8.300 (Partnership Units), 8.600 (Managed Fund Shares), or 8.700 (Managed Trust Securities);

(3) it is neither participating in the ETP Incentive Program under Rule 8.800 nor has a Lead Market Maker assigned to it;

(4) with respect to an ETP that was listed on the Exchange before the commencement of the CP Program, the ETP has a consolidated average daily
volume (“CADV”) of two million shares or less for at least the preceding three months; and

(5) it is compliant with continuing listing standards, if the ETP is added to the CP Program after listing on the Exchange.

(c) Issuer Application Process.

(1) To be eligible for its ETP to participate in the CP Program, the issuer must be current in all payments due to the Exchange.

(2) An issuer that wishes to have an ETP participate in the CP Program and pay the Exchange a CP Program Fee shall submit a written application in a form prescribed by the Exchange for each ETP. An issuer may elect for its ETP to participate at the time of listing or thereafter at the beginning of each quarter. The Exchange may, on a CP Program-wide basis, limit the number of ETPs that any one issuer may have in the CP Program.

(3) The Exchange shall communicate the ETP(s) proposed for inclusion in the CP Program on a written solicitation that is sent to all qualified CPs along with the CP Program Fee the issuer will pay the Exchange for each ETP, which shall be set forth in the Exchange’s Listing Fee Schedule.

(4) The Exchange shall provide notification on a dedicated page on its website regarding (i) the ETPs participating in the CP Program, (ii) the date a particular ETP begins participating in the CP Program, (iii) the date the Exchange receives written notice of an issuer’s intent to withdraw its ETP from the CP Program, and the intended withdrawal date, if provided, (iv) the date a particular ETP ceases participating in the CP Program, (v) the CPs assigned to each ETP participating in the CP Program, (vi) the date the Exchange receives written notice of a CP’s intent to withdraw from its ETP assignment(s) in the CP Program, and the intended withdrawal date, if provided, and (vii) the amount of the CP Program Fee for each ETP. This page shall also include a fair and balanced description of the CP Program, including (a) a description of the CP Program’s operation as a pilot, including the effective date thereof, (b) the potential benefits that may be realized by an ETP’s participation in the CP Program, (c) the potential risks that may be attendant with an ETP’s participation in the CP Program, (d) the potential impact resulting from an ETP’s entry into and exit from the CP Program, and (e) how interested parties can request additional information regarding the CP Program and/or the ETPs participating therein.

(5) An issuer of an ETP that is approved to participate in the CP Program shall issue a press release to the public when an ETP commences or ceases participation in the CP Program. The press release shall be in a form and manner prescribed by the Exchange, and if practicable, shall be issued at least two days before the ETP commences or ceases participation in the CP Program. The issuer shall dedicate space on its website, or, if it does not have a website, on the website.
of the adviser or sponsor of the ETP, that (i) includes any such press releases and (ii) provides a hyperlink to the dedicated page on the Exchange’s website that describes the CP Program, as described in paragraph (4) above.

(d) CP Application Process.

(1) To qualify as a CP, an ETP Holder must:

   (A) be qualified as a Market Maker, and in good standing, on the Exchange; and

   (B) have adequate information barriers between the business unit of the ETP Holder acting as a CP in a proprietary capacity and the ETP Holder’s customer, research and investment banking business, if any.

(2) To become a CP, an ETP Holder must submit a CP application form with all supporting documentation to the Exchange.

(3) Exchange staff shall determine whether an applicant is qualified to become a CP based on the qualifications described in paragraph (d)(1) above.

(4) After an applicant submits a CP application to the Exchange, with supporting documentation, the Exchange shall notify the applicant of its decision.

(5) If an applicant is approved by the Exchange to receive CP status, such applicant must have connectivity with relevant Exchange systems before such applicant shall be permitted to quote and trade as a CP on the Exchange. If approved to receive CP status, a CP shall be assigned to participating ETPs in the same manner that Market Makers are currently assigned to securities listed on the Exchange.

(6) In the event that an applicant is disapproved by the Exchange, such applicant may seek review under Rule 10.13 and/or reapply for CP status at least three calendar months following the month in which the applicant received the disapproval notice from the Exchange.

(e) Issuer’s Payment of CP Program Fee.

(1) An issuer (or sponsor on behalf of the issuer) of an ETP that is participating in the CP Program shall pay the Exchange a “CP Program Fee” in accordance with the Exchange’s Listing Fee Schedule, which shall be credited to the Exchange’s general revenues. An ETP shall not be permitted to begin participation in the CP Program unless there are eligible CPs assigned to such ETP.

(f) Size Event Tests.
(1) The Exchange shall measure the performance of a CP in an assigned ETP by calculating Size Event Tests ("SETs") during Core Trading Hours on every day on which the Exchange is open for business.

(2) The Exchange shall measure the quoted displayed size at the NBB (NBO) of each CP at least once per second to determine bid (offer) SETs (a "Bid (Offer) SET").

(3) A CP shall be considered to have a winning Bid (Offer) SET (a "Winning Bid (Offer) SET") for a particular ETP if, at the time of the SET, the CP:

(A) is quoting at least 500 shares of the ETP at the NBB (NBO);

(B) has the greatest aggregate displayed size at the NBB (NBO); and

(C) is quoting an offer (bid) of at least 100 shares at a price at or within 1.2% of the CP’s best bid (offer).

(g) CP Quoting Requirements.

(1) General Quoting Requirement. Each CP that is assigned to one or more ETPs in the CP Program shall be required to maintain continuous, two-sided displayed quotes or orders in accordance with Rule 7.23(a)(1) for each such ETP.

(2) Daily Quoting Requirement. A CP must have Winning Bid (Offer) SETs equal to at least 10% of the total Bid (Offer) SETs on any trading day in order to meet its daily quoting requirement and to be eligible for the daily “CP Payments” for an ETP, as described in the Exchange’s Trading Fee Schedule.

(3) Monthly Quoting Requirement. A CP must have displayed quotes or orders of at least 100 shares at the NBB (NBO) at least 10% of the time that the Exchange calculates Bid (Offer) SETs to meet its monthly quoting requirement.

(4) Proprietary or Principal Quotes and Orders. For purposes of meeting the daily and monthly quoting requirements set forth above, CP quotes may be for the account of the CP in either a proprietary capacity or a principal capacity on behalf of an affiliated or unaffiliated person. For purposes of measuring CP quoting, the Exchange shall include all Market Maker quotes and orders in assigned ETPs of an ETP Holder that is a CP.

(h) CP Payment by Exchange.

(1) The Exchange shall credit a CP for a CP Payment from its general revenues in accordance with the Exchange’s Trading Fee Schedule.
(i) Withdrawal of ETP.

(1) If an ETP liquidates or suspends the redemption of shares, it shall be automatically withdrawn from the CP Program as of the ETP liquidation or suspension date.

(2) The Exchange shall withdraw an ETP from the CP Program upon request from the issuer.

(3) If the issuer is not current in all payments due to the Exchange after two consecutive quarters, such ETP shall be automatically removed from the CP Program.

(4) If an ETP maintains a CADV of two million shares or more for three consecutive months, it shall be automatically withdrawn from the CP Program within one month thereafter. If after such automatic withdrawal the ETP fails to maintain a CADV of two million shares or more for three consecutive months, the issuer of the ETP may reapply for the CP Program one month thereafter.

(j) Withdrawal of CP Status.

(1) A CP that does not satisfy the monthly quoting requirement of paragraph (g)(3) above for three consecutive months shall be subject to the potential withdrawal of its CP status. Any such withdrawal determinations shall be for a specific ETP.

(2) A CP may initiate withdrawal from an ETP assignment in the CP Program by giving notice to the Exchange. The Exchange shall effect such withdrawal as soon as practicable, but no later than 30 days after the date the notice is received by the Exchange. Such withdrawal may be for a specific ETP or for all ETPs to which the CP is assigned.

* * * * *
In addition, to the extent that a listed issuer is involved in a consolidation between two or more listed issuers that results in the formation of a new issuer, or a merger or consolidation between a listed issuer and an unlisted issuer that results in the unlisted issuer surviving or the creation of a new issuer, or a merger between two listed issuers where one listed issuer survives, and the transaction concludes on or before March 31 in any calendar year, the nonsurviving listed issuer(s) will only be subject to pro rata Annual Fees for that year through the date of the conclusion of the transaction. To the extent that the transaction concludes after March 31, the non-surviving listed issuer(s) will be subject to full Annual Fees for that year.

**Optional Incentive Fee**

*Under NYSE Arca Equities*

**Rule 8.800:** $10,000-$40,000 per year

The Optional Incentive Fee for each ETP shall be paid by the issuer to the Exchange in quarterly installments at the beginning of each quarter and prorated if the issuer commences participation for an ETP in the Incentive Program after the beginning of a quarter. The Optional Incentive Fee paid by an issuer shall be credited to the Exchange’s general revenues. The issuer shall not receive a credit from the Exchange following the end of the quarter if the LMM does not meet its performance standards in any given month in such quarter for an ETP.

If the ETP has a sponsor, the sponsor may pay the Optional Incentive Fee to the Exchange. The term “sponsor” means the registered investment adviser that provides investment management services to an ETP or any of such investment adviser’s parents or subsidiaries.

**CP Program Fee**

*Under NYSE Arca Equities*

**Rule 7.25:** $50,000 per year

The CP Program Fee for each ETP shall be paid by the issuer to the Exchange in quarterly installments at the beginning of each quarter and prorated if the issuer commences participation for an ETP in the CP Program after the beginning of a quarter. The CP Program Fee paid by an issuer shall be credited to the Exchange’s general revenues. The issuer shall not receive a credit from the Exchange following the end of the quarter if a CP is assigned to the ETP during such quarter, even if the assigned CPs did not satisfy their daily or monthly quoting requirements in any given month in such quarter for the ETP.
If the ETP has a sponsor, the sponsor may pay the CP Program Fee to the Exchange. The term “sponsor” means the registered investment adviser that provides investment management services to an ETP or any of such investment adviser’s parents or subsidiaries.

Endnotes 1-9 No change

Commentary:

.01-.05 No change
### NYSE ARCA MARKETPLACE: CROWD PARTICIPANT (“CP”) PROGRAM PAYMENTS

<table>
<thead>
<tr>
<th>Amount of Total Daily CP Payment</th>
<th>Allocation of Daily CP Payment</th>
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<tr>
<td>An amount not to exceed the following:</td>
<td>70% of the bid (offer) SET amount to the CP with the highest number of Winning Bid (Offer) SETs (as defined in paragraph (f) of Rule 7.25); 30% of the bid (offer) SET amount to the CP with the second-highest number of Winning Bid (Offer) SETs.</td>
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<tr>
<td>The CP Program Fee paid to the Exchange by an issuer under Rule 7.25, less a 5% Exchange administration fee, divided by the number of trading days in the calendar year. Half of this amount shall be for bid SETs and half shall be for offer SETs.</td>
<td>If only one CP is eligible for the bid (offer) SET amount, 100% of such amount shall be provided to such CP. If more than two CPs have an equal number of Winning Bid (Offer) SETs, the CP with the higher executed volume in the ETP on the Exchange on the particular trading day shall be awarded the applicable daily CP Payment. A CP Payment shall not be provided if no eligible CPs exist.</td>
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</table>

The Exchange shall credit a CP for the CP Payment at the end of each month. If the ETP is withdrawn from the CP Program pursuant to paragraph (i) of NYSE Arca Equities Rule 7.25 during the month, then the CP shall not be eligible for a CP Payment after the date of such withdrawal.

If an issuer does not pay its quarterly installments to the Exchange on time and the ETP continues to be included in the CP Program, the Exchange shall continue to credit CPs in accordance with the Trading Fee Schedule.

### NYSE ARCA MARKETPLACE: OTHER FEES AND CHARGES

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