

Additions: Underlined

Deletions: [Bracketed]

Rules of the NYSE MKT LLC

**Rule 13 - Equities. Orders and Modifiers**

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**Pegging Interest**

(a) "Pegging interest" means displayable or non-displayable interest to buy or sell at a price set to track the best protected bid ("PBB") or the best protected offer ("PBO") (collectively, the "PBBO") as the PBBO changes and:

(1) can be an e-Quote[, ] or d-Quote[, ] or DMM Interest], provided that:

(A) such interest does not include a sell "plus" or buy "minus" instruction;

(B) Exchange systems shall reject a pegging e-Quote or d-Quote that is entered 10 seconds or less before the scheduled close of trading; and

(C) discretionary instructions associated with a pegging d-Quote shall move as the d-Quote pegs to the PBBO, subject to any price range and limit price that may be specified;

(2) shall peg only when auto-quoting is active;

(3) shall peg only to prices based on:

(A) a protected bid or offer, which may be available on the Exchange or an away market, or

(B) interest that establishes a price on the Exchange[, which may include Primary or Market Pegging Interest that has established a price as a result of an offset value]; and

(4) shall peg only within the specified price range of the pegging interest.

(A) If the PBBO[, combined with any offset value,] is not within the specified price range, the pegging interest shall instead peg to the next available best-priced interest that is within the specified price range.

(B) Buy (sell) pegging interest that has reached its specified price range shall remain at that price if the PBBO goes beyond such price range. If the PBBO returns to a price within the specified price range, the pegging interest shall resume pegging.

(b) Reserved. ["Offset value" means the amount by which the price of the pegging interest shall differ from the price of the interest to which it pegs and can be specified up to four decimals. For securities priced over \$1.00, if the adjusted price would be a sub-penny price, Exchange systems shall round the buy (sell) pegging interest's price down (up) to the nearest minimum price variation for that security. ]

(c) "Primary Pegging Interest" means pegging interest to buy (sell) that pegs to the PBB (PBO) and:

(1) shall not peg to a price that is locking or crossing the Exchange best offer (bid), but instead shall peg to the next available best-priced interest that would not lock or cross the Exchange best offer (bid);

(2) shall not establish or sustain a PBB (PBO) as a result of pegging;

(3) may establish a Exchange best bid (offer);

(4) Reserved [may include an offset value for which the adjusted price for buy (sell) pegging interest shall be the PBB (PBO) minus (plus) the offset value]; and

(5) may be designated with a minimum size of same-side volume to which such pegging interest shall peg, which may not be the PBB or PBO.

(d) Reserved ["Market Pegging Interest" means pegging interest to buy (sell) that pegs to the PBO (PBB) and:

(1) shall not peg to a price that is locking or crossing the Exchange best offer (bid), but instead shall peg to a price one minimum price variation lower (higher) than the Exchange best offer (bid);

(2) may establish or sustain a PBB (PBO) as a result of pegging;

(3) may establish a Exchange best bid (offer); and

(4) must include an offset value for which the adjusted price for buy (sell) pegging interest shall be the PBO (PBB) minus (plus) the offset value.]

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