

Additions underlined
Deletions [bracketed]

NYSE MKT RULES

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TRADING OF OPTION CONTRACTS

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Section 900NY. Rules Principally Applicable to Trading of Option Contracts

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Rule 964.2NY. Participation Entitlement of Specialists and e-Specialists

(a) The Exchange may establish from time to time a participation entitlement formula that is applicable to all Specialists. The Exchange will, on a quarterly basis, designate, from among all Specialists and e-Specialists in a class, the Primary Specialist in each class. The Primary Specialist will be determined by objective evaluation of the relative quote performance of each Specialist and e-Specialist, and would include one or more of the following factors: time and size at the NBBO, average quote width, average quote size, electronic volumes from resting quotes and orders in the Consolidated Book, and the relative share of electronic volume for a given class of options. The Exchange will publish the evaluation criteria, including the relative weighting of each factor, by [Regulatory Bulletin] Trader Update at least 5 business days prior to an evaluation period.

(b) The participation entitlement for Specialists and e-Specialists, collectively the Specialist Pool as defined in Rule 900.2NY(75), shall operate as follows:

(1) – (2) No change.

(3) *Allocation of Participation Entitlement Amongst Specialist Pool.*

(A) Bids and Offers of Specialists and e-Specialists quoting at the NBBO shall participate in the Specialist Pool participation entitlement on a size pro rata basis. The Primary Specialist's size pro-rata participation in the Specialist Pool will receive additional weighting, as determined by the Exchange, and announced via [Regulatory Bulletin] Trader Update, but in no case greater than 66 2/3% if there is only one e-specialist, and no more than 50% if there are two or more e-Specialists.

(B) No change.

(4) No change.

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