APPENDIX 3A

Pre and Post Hybrid Market Quality Metric for Stabilization Pilot

Category		Pre-Stab Rule Pilot			Post-Stab Rule Pilot (April 1 - June 30, 2007)		
		Active	Medium	Low	Active	Medium	Low
	# of Stocks	140	140	140	140	140	140
Market Quality	NYSE quoted spread (bp)	6.15	5.49	5.50	4.23	3.90	4.10
	Average Depth on the NYSE BBO (shares/per side)	4,460	1,549	831	5,843	1,559	827
	Effective spread for marketable orders less than 2,000 shares (bp)	4.81	4.19	4.03	3.59	3.33	3.32
	5-minute volatility (bps)	20.46	16.43	13.68	17.83	15.57	13.06
	Price continuity (trade-by-trade price change, cents)	0.51	0.60	0.82	0.48	0.67	0.88
	% time NYSE setting NBBO (%)	65.62	73.46	75.15	55.33	63.20	64.47
	% time NYSE matching NBBO (%)	85.67	89.22	89.05	87.86	87.20	85.38
	Auto-ex speed for orders less than 2,000 shares (milli-seconds)	327	326	324	236	212	202
	Fill rate for marketable orders less than 2,000 shares (%)	72.06	72.43	70.27	70.92	75.19	76.91
	% Trades Auto-Executed (%)	28.64	28.01	28.26	83.88	82.22	81.99
Spec Trading	Spec participation rate (%)	6.80	5.90	5.49	3.48	2.68	2.49
	Average daily Hit-Take volume (shares)	-	-	-	23,314	6,406	3,784
	% Hit-Take volume to overall Spec trading volume (%)	-	-	-	2.73	2.51	2.33
	Return Ratio (contra side new s-quote qty/Hit-Take qty)	-	-	-	375	294	119
	# of Stocks with specialist Hit-Take trading	-	-	-	118	110	106
Sample Statistics	Average daily CT volume (shares)	6,889,390	1,851,965	825,602	8,770,710	2,347,061	1,095,274
	Average daily High-Low Volatility (bp)	2.41	2.04	1.72	2.01	1.90	1.69
	Average Price ($)	41.12	44.97	55.23	45.00	55.03	65.36

APPENDIX 3B

Pre and Post Hybrid Market Quality Metric for Stabilization Pilot

Category		S&P 500 Pilot Stocks Lowest Decile			non-S&P 500 Matched Sample Lowest Decile		
		March 2007	April 2007	Change	March 2007	April 2007	Change
Market Quality	NYSE quoted spread (bp)	4.6	3.4	-26.5%	6.22335	4.83291	-22.3%
	Effective spread for marketable orders less than 2,000 shares (bp)	3.9	3.2	-18.7%	5.1	4.1	-20.0%
	5-minute volatility (bps)	13.7	9.3	-32.3%	15.6	11.3	-27.5%
	Price continuity (bp)	1.6	1.4	-16.9%	2.1	1.8	-13.7%
	% time NYSE setting NBBO (%)	63.4%	69.3%	5.9%	61.5%	66.3%	4.8%
	Auto-execution speed	1.9	1.6	-14.8%	1.8	2.3	29.8%
	Fill rate for trades (%)	75.9%	76.6%	0.7%	76.1%	77.3%	1.2%
	% Trades Auto-Executed (%)	94.2%	95.5%	1.3%	94.2%	94.8%	0.6%
Spec Trading	Spec participation rate (%)	2.9%	2.8%	0.0%	3.1%	3.2%	0.1%
Sample Statistics	Average Daily Volume (shares)	697,878	569,239	-18.4%	643,845	527,071	-18.1%
	Daily Trading Range	159.0	128.6	-19.1%	201.1	160.8	-20.1%
	Volume Weighted Average Price	$65.69	$68.24	3.9%	$64.11	$66.31	3.4%

APPENDIX 3C

Pre and Post Hybrid Market Quality Metric for Stabilization Pilot

Category		S&P 500 Pilot Stocks 2nd Lowest Decile			non- S&P 500 Matched Sample 2nd Lowest Decile		
		March 2007	April 2007	Change	March 2007	April 2007	Change
Market Quality	NYSE quoted spread (bp)	4.3691	3.47352	-20.5%	6.05619	4.66792	-22.9%
	Effective spread for marketable orders less than 2,000 shares (bp)	3.8	3.3	-13.1%	5.3	4.5	-14.8%
	5-minute volatility (bps)	14.9	10.3	-30.7%	18.3	13.2	-28.2%
	Price continuity (bp)	1.5	1.3	-10.5%	2.1	1.9	-11.0%
	% time NYSE setting NBBO (%)	59.4%	67.0%	7.6%	57.4%	63.5%	6.1%
	Auto-execution speed	1.4	1.6	14.5%	1.9	2.3	16.8%
	Fill rate for trades (%)	74.4%	76.1%	1.7%	76.0%	74.8%	-1.3%
	% Trades Auto-Executed (%)	94.7%	95.5%	0.8%	94.0%	95.4%	1.4%
Spec Trading	Spec participation rate (%)	2.8%	3.0%	0.1%	2.7%	2.3%	-0.3%
Sample Statistics	Average Daily Volume (shares)	1,236,160	907,096	-26.6%	1,030,240	847,661	-17.7%
	Daily Trading Range	170.1	131.6	-22.6%	225.7	176.3	-21.9%
	Volume Weighted Average Price	$54.47	$56.58	3.9%	$52.81	$56.10	6.2%