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~~SEC /EDGX~~ Exchange, Inc.
545 Washington Boulevard, 6th Floor
Jersey City, New Jersey 07310

February 11, 2010

VIA OVERNIGHT COURIER

James Brigagliano
Deputy Director
Division of Trading and Markets
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-0001

Re: EDGX Exchange, Inc.
Amendment No. 2 to Form 1 Application

Dear Mr. Brigagliano:

On May 7, 2009, EDGX Exchange, Inc. ("EDGX Exchange" or "Exchange") filed its Form 1 application to register as a national securities exchange ("Form 1") pursuant to Section 6 of the Securities Exchange Act of 1934. On July 30, 2009, EDGX Exchange filed Amendment No. 1 to the Form 1 Application. On September 17, 2009, the Form 1 was published in the Federal Register for notice and comment.¹

On behalf of EDGX Exchange, enclosed for official filing please find an original and two copies of the second Amendment to the Form 1 (the "Amendment"). Specifically, EDGX Exchange is filing a Form 1 Execution Page and amendments to the following documents in Exhibits B, C, E, and F as indicated below:

1. The "Proposed Rules of EDGX Exchange, Inc." in Exhibit B of the Form 1, to address comments received from SEC staff following the initial filing of the Form 1, as well as:
 - Amendments (Rules 1.5(p), 11.9(a), 14.2(g), 14.3(d)) to reflect that the Post-Closing Session ends at 8:00 p.m.
 - Addition of Rule 2.3(b)-(f) (Member Eligibility & Registration) to require registration of Authorized Traders and Principals in the appropriate category of registration as determined by the Exchange. Conforming amendments were made to the interpretations and policies for Rule 2.5. Certain procedures

¹ See Securities Exchange Act Release No. 60651 (September 11, 2009), 74 FR 47827 (September 17, 2009).

respecting the filing of Forms U-4 and U-5 are set forth in the Interpretations and Policies to Rule 2.5

- Reflection of Direct Edge ECN LLC's assumed name of DE Route in Rules 2.11 and 2.12 respecting its roles as an inbound and outbound router.
 - Addition of Rule 3.21 (Customer Disclosures) to require Members that execute trades on behalf of customers during either Pre-Opening or Post-Closing Sessions offered by the Exchange to provide customers with notice regarding the risks of trading during extended hours consistent with the rules of other self-regulatory organizations.
 - Amendment of Rule 11.5(a) to clarify that market orders are not eligible for the Pre-Opening and Post-Closing Sessions.
 - The Exchange has proposed to add new Interpretation and Policy .01 to Rule 14.1 to explain the circumstances under which the Exchange will halt trading during the Pre-Opening and Post-Closing Sessions.
 - The Exchange is proposing to amend Rule 11.11 to enable DTC/NSCC authorized clearing brokers to clear trades on the Exchange, even though they are not Members. This amendment is consistent with industry practice and other analogous SRO rules. An analogous amendment is proposed to the Exchange's Clearing Letter of Guarantee (See Exhibit F) and to the Exchange's criteria for Membership (See Exhibit L).
 - The Exchange is proposing to add section (d) to Rule 11.12 (Limitation of Liability) to establish a procedure to compensate Members in relation to Exchange systems failures or a negligent act or omission of an Exchange employee consistent with industry practice.
 - Minor revisions to the Exchange's Clearly Erroneous Trading rules (Rule 11.13) to comport with those filed by other registered national securities exchanges.
 - Addition of Rule 12.13 respecting "Trading Ahead of Research Reports."
2. Forms of resolutions as adopted by the German parent corporations and Swiss parent corporations in Exhibit B.
3. With respect to Exhibit C:
- For the description of Direct Edge ECN LLC, clarification respecting the cessation of its capacity as an electronic communications network following the operation of the Exchange.
4. With respect to Exhibit E:
- Clarification respecting the Exchange's membership in various order and trade reporting organizations.
 - Reference to the phase in of securities traded on the Exchange.

Mr. James Brigagliano

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- Updating reference to provision of technical systems specifications and addition of a copy of the Direct Edge Next Gen FIX Specifications (Version 1.0) to Exhibit E (7) (Users Manual).
5. The Clearing Letter of Guarantee, User Agreement, Routing Agreement and the Exchange Data Vendor Agreement are being amended to reflect comments by potential members and industry practice. See Exhibit F.
 6. An amendment to Exhibit I to state that prior to the launch of the Exchange, Direct Edge Holdings, Inc. will make a capital contribution into the Exchange's capital account, as well as a representation that Direct Edge Holdings, Inc. will enter into an explicit agreement with the Exchange to provide adequate funding for its operations.
 7. An amendment to Exhibit J to state that all Directors, including Owner Directors and the Chief Executive Officer, will serve staggered three year terms, subject to the Exchange's Bylaws.
 8. An amendment to Exhibit L describing the Exchange's execution of regulatory services agreements with each of ISE LLC and Financial Industry Regulatory Authority ("FINRA") to conduct various regulatory services on behalf of the Exchange.

Except as specified above, no other documents in any of the exhibits will be changed at this time.

Please do not hesitate to contact me if you have any questions.

Very truly yours,



Eric W. Hess, Esq.
Secretary and General Counsel

Enclosures

cc: Hon. Mary Schapiro, Chairman (w/o enclosures)
Hon. Luis A. Aguilar, Commissioner (w/o enclosures)
Hon. Kathleen L. Casey, Commissioner (w/o enclosures)
Hon. Troy A. Parades, Commissioner (w/o enclosures)
Hon. Elisse B. Walter, Commissioner (w/o enclosures)
Robert Cook, Director (w/o enclosures)
David Shillman, Associate Director (w/o enclosures)
David Hsu, Senior Special Counsel
William O'Brien, Direct Edge

EDGX Exchange, Inc.

Amendment Number 2
to
Form 1 Application and Exhibits

The Form 1 application, as amended by Amendment No. 1, is further amended as set forth in this Amendment No. 2. The Form 1 application, as amended, is not being modified in any respect other than to the extent set forth below.

Amendments to Exhibit B

Exhibit Request:

A copy of all written rulings, settled practices having the effect of rules, and interpretations of the Governing Board or other committee of the applicant in respect of any provisions of the constitution, by-laws, rules, or trading practices of the applicant which are not included in Exhibit A.

Amendments from prior response:

1. Proposed Rules of EDGX Exchange, Inc.
2. Form of resolution of German parent corporation, adopted as follows:
 - Eurex Frankfurt AG Executive Board on November 11, 2009
 - Eurex Frankfurt AG Supervisory Board on December 3, 2009
 - Deutsche Börse AG Executive Board on November 10, 2009
 - Deutsche Börse AG Supervisory Board on December 15, 2009
3. Form of resolution of Swiss parent corporation, adopted as follows:
 - Eurex Zürich AG Executive Board on November 11, 2009
 - Eurex Zürich AG Board of Directors on December 3, 2009
 - SIX Group AG Board of Directors on November 6, 2009
 - SIX Group AG Executive Board on November 4, 2009
 - SIX Swiss Exchange AG Board of Directors on November 17, 2009
 - SIX Swiss Exchange AG Executive Board on November 4, 2009
4. Amended and Restated Trust Agreement for International Securities Exchange Holdings, Inc. and U.S. Exchange Holdings, Inc. (as executed)

Amendments to Exhibit C

Exhibit Request:

For each subsidiary or affiliate of the applicant, and for any entity with whom the applicant has a contractual or other agreement relating to the operation of an electronic trading system to be used to effect transactions on the exchange ("System"), provide the following information:

- 1. Name and address of organization.**
- 2. Form of organization (e.g., association, corporation, partnership, etc.).**
- 3. Name of state and statute citation under which organized. Date of incorporation in present form.**
- 4. Brief description of nature and extent of affiliation.**
- 5. Brief description of business or functions. Description should include responsibilities with respect to operation of the System and/or execution, reporting, clearance, or settlement of transactions in connection with operation of the System.**
- 6. A copy of the constitution.**
- 7. A copy of the articles of incorporation or association including all amendments.**
- 8. A copy of existing by-laws or corresponding rules or instruments.**
- 9. The name and title of the present officers, governors, members of all standing committees or persons performing similar functions.**
- 10. An indication of whether such business or organization ceased to be associated with the applicant during the previous year, and a brief statement of the reasons for termination of the association.**

Amendments from prior response:

B. Direct Edge ECN LLC

- 1. Name:** Direct Edge ECN LLC
Address: 545 Washington Boulevard, Jersey City, NJ 07310
- 2. Form of organization:** Limited Liability Company.
- 3. Name of state, statute under which organized and date of incorporation:**
Formed in Delaware under Section 201 of the Limited Liability Company Act of

the State of Delaware on April 19, 2005.

4. *Brief description of nature and extent of affiliation:* Direct Edge ECN LLC is wholly-owned by Direct Edge Holdings LLC, which will also be the applicant's 100% owner.
5. *Brief description of business or functions:* Direct Edge ECN LLC will cease to operate in its capacity as an electronic communications network following the commencement of operations of EDGX Exchange, Inc. and EDGA Exchange, Inc. as national securities exchanges. At such time, Direct Edge ECN LLC will provide optional outbound routing of orders from the Exchange to other securities exchanges, facilities of securities exchanges, automated trading systems, electronic communication networks or other broker-dealers. See also proposed Exchange Rule 2.11 and 2.12 for details regarding Direct Edge ECN LLC.
6. *Copy of constitution:* Not applicable.
7. *Copy of articles of incorporation or association and amendments:* See attached Certificate of Formation for Direct Edge ECN LLC, filed April 19, 2005, Certificate of Amendment to the Certificate of Formation of Direct Edge ECN LLC, filed April 29, 2005, and Certificate of Amendment to the Certificate of Formation of Direct Edge ECN LLC, filed August 23, 2005.
8. *Copy of existing by-laws:* See attached Third Amended and Restated Limited Liability Company Operating Agreement of Direct Edge ECN LLC, dated July 21, 2008.
9. *Name and title of present officers, governors, members of standing committees and persons performing similar functions:*
 - **Directors**
 - Not applicable. Direct Edge ECN LLC is managed by its sole member, Direct Edge Holdings LLC.
 - **Officers**
 - William O'Brien (CEO)
 - William Karsh (Chief Operating Officer)
 - Steven Bonanno (Chief Technology Officer)
 - Bryan Harkins (Head of Sales and Strategy)
 - Glen Badach (Controller)
 - Romeo Bermudez (Chief Compliance Officer)
 - Eric Hess (General Counsel)
10. *Indication of whether such business or organization ceased to be associated with the applicant during previous year:* Not applicable.

Amendments to Exhibit E

Amendments from prior response:

C. Entry and Display of Quotations and Orders in the System (#2)

Entry of Orders on the Exchange. The Exchange will accept the submission of orders by Exchange Members in securities admitted to unlisted trading privileges ("UTP") on the Exchange. The Exchange will not list securities initially, though it may do so in the future. Accordingly, while this Application, including certain rules included in Exhibit B, contains references to securities listed or trading pursuant to UTP, the reference to securities listed on the Exchange is intended to be read prospectively.

Orders entered into EDGX Exchange must be priced and must have a designated size ("limit orders") or must be orders to buy or sell a stated amount of a security at the national best bid or offer when the order reaches the Exchange ("market orders"). Limit orders and market orders, as defined above, are hereinafter collectively referred to as "orders".

Orders will be accepted for any such security, whether submitted by a Member on a proprietary or agency basis, in any size up to 999,999 shares. Orders may be submitted in round lots or odd lots. To reduce the possibility of the entry of erroneously large orders, the Exchange will provide Members with the ability to establish parameters as to the maximum number of shares that can be entered on their behalf or on behalf of their clients in any given order.

Members may submit the following orders to the Exchange: IOC; Day; Good 'til Cancel; Good 'til Day; Reserve; Odd Lot; Mixed Lot; EDGX Only; EDGX Post Only; Pegged; Mid-Point Match; Non-Displayed; Destination Specific; Destination-on-Open Step Up Order and Intermarket Sweep. Each of these types of orders is described in detail in proposed Exchange Rule 11.5. Members will also be permitted to enter short sales, in accordance with the provisions of Regulation SHO of the Exchange Act. The Exchange will maintain a full audit trail of every order submitted to the Exchange's System. Members may receive status reports regarding orders submitted to the Exchange or change or cancel an order at any time before that order is executed on the Exchange. Based on Exchange system functionality, a locked or crossed market will not be displayed by the Exchange with respect to orders to buy and orders to sell submitted to the Exchange.

All securities will be traded in decimals on the Exchange. Bids, offers, orders or indications of interests in securities traded on the Exchange will not be made in an increment smaller than: (1) \$0.01 if those bids, offers or indications of interests are priced equal to or greater than \$1.00 per share; or (2) \$0.0001 if those bids, offers or indications of interests are priced less than \$1.00 per share and the security is an NMS stock pursuant to Commission Rule 600(b)(46) and is trading on the Exchange; or (3) any other increment established by the Commission for any security which has been granted an exemption from the minimum price increment requirements of Commission Rule 612(a) or 612(b).

The Exchange intends to phase-in the trading of securities currently trading on Direct Edge ECN, LLC's trading platform to the Exchange, and it will provide appropriate advance notice to its members of the phase-in schedule.

Display of Orders. All orders submitted to the Exchange will be displayed unless designated otherwise by the Member submitting the order ("non-displayed orders"). Orders submitted to the Exchange for display shall be displayed on an anonymous basis at the price specified by the Member submitting the order. Non-displayed orders will not be displayed to any Member of the Exchange and will not have time priority over displayed orders. In addition, the Exchange will, by the time of its launch, become a participant in the Consolidated Quotation Plan ("CQ Plan"), the Consolidated Tape Association (the "CTA"), Nasdaq-UTP Plan, Intermarket Surveillance Group and Order Execution Quality Disclosure Plan and will collect and submit to the relevant plan processor the best buy order and the best sell order displayed on the Exchange in Eligible Securities, as defined in these Plans, in accordance with the terms of the Plans.

Finally, to enhance transparency throughout the market, the Exchange intends to make its order book for any security traded on the Exchange available for viewing by any member of the public through the Exchange's web site.

D. Order Routing to other Market Centers

Members may enter into agreements to use the routing services of an affiliated broker-dealer of the Exchange, which will enable Members to route to other market centers the unexecuted portions of designated Routable Orders entered on the Exchange. In this capacity, the affiliated broker-dealer will act as an agent of the Member. See Exhibit C and proposed Exchange Rule 2.11 and Rule 2.12 for further details regarding the affiliated router. Members will have no obligation, however, to utilize the order routing functionality provided by the Exchange's broker-dealer affiliate. Accordingly, Members can select other broker-dealers to provide order-routing functions or use their own internal order-routing systems.

The Exchange intends to phase-in the trading of securities currently trading on Direct Edge ECN, LLC's trading platform to the Exchange, and it will provide appropriate advance notice to its members of the phase-in schedule.

E. Execution, Reporting, Clearance and Settlement Procedures (#3)

Execution of Orders Submitted to Exchange's order book. Trades will occur when an order to buy and an order to sell match on the Exchange's order book. An order to buy submitted to the Exchange's order book will be automatically executed by the Exchange's order book to the extent that it is priced at an amount that equals or exceeds any order to sell for the same security submitted to the Exchange's order book. Such order to buy shall be executed at the price of the lowest-priced order to sell having precedence on the Exchange's order book, except where such sell order(s) are non-displayed and/or odd-lot orders not currently being displayed by the System, and such sell orders are priced below the National Best Offer ("NBO"). In such circumstances, such order to buy shall be executed at the price(s) equal to the greater of: (a) the mid-point between the price of the order to buy and the price(s) of the best-priced order(s) to sell having priority in the EDGX Book; and (b) the National Best Bid ("NBB"). Where such buy order is priced above the then-current NBO, it shall be executed at the price(s) equal to the greater of: (a) the mid-

point between the price of the then-current NBO and the price(s) of the best-priced order(s) to sell having priority in the EDGX Book; and (b) the NBB.

An order to sell submitted to the Exchange's order book will be automatically executed by the Exchange's order book to the extent that it is priced at an amount that equals or is less than any order to buy for the same security submitted to the Exchange's order book. Such order to sell shall be executed at the price of the highest-priced order to buy having precedence on the Exchange's order book, except where such buy order(s) are non-displayed and/or odd-lot orders not currently being displayed by the System, and such buy orders are priced above the National Best Bid. In such circumstances, such order to sell shall be executed at the price(s) equal to the lesser of: (a) the mid-point between the price of the order to sell and the price(s) of the best-priced order(s) to buy having priority in the EDGX Book; and (b) the NBO. Where such sell order is priced below the then-current NBB, it shall be executed at the price(s) equal to the lesser of: (a) the mid-point between the price of the then-current NBB and the price(s) of the best-priced order(s) to buy having priority in the EDGX Book; and (b) the NBO.

All orders are matched according to price-display-time priority. Proposed Rule 11.8 describes the priority given to orders at the same price. Non-displayed orders will have priority over orders at inferior prices, whether displayed or non-displayed, but will not have priority or time precedence over orders displayed at equal or superior prices. In the event that less than the full size of an order is executed, whether displayed or non-displayed, the unexecuted size of the order will continue to reside on the Exchange's order book, and if displayed, will be redisplayed at such price.

In executing orders submitted to the Exchange's order book, the Exchange will not distinguish between orders submitted by Members for their own accounts and orders submitted by Members for their customers. Unlike exchanges that conduct trading via a physical trading floor, all Exchange Members will submit orders to the Exchange from remote locations and have equal access to orders residing on the Exchange. Similarly, because orders on the Exchange will be executed automatically, no Member of the Exchange will have the ability to control the timing of execution (other than to change or cancel an order prior to execution) or otherwise enjoy the type of special order handling advantages that may be available on the physical floor of an exchange. Moreover, as noted above, non-Members will have access to the display of orders on the Exchange's order book through the Exchange's web site.

Exchange Rule 11.13 will permit the Exchange to address those instances in which transactions occurring on the Exchange involve obvious errors ("Clearly Erroneous Policy"). Under the Clearly Erroneous Policy, Members receiving an execution based on the entry of a buy or sell order that clearly was in error – in terms of price, quantity, or identification of the proper symbol for a security – will be permitted to request that the Exchange void or modify the transaction. Designated Exchange officials will review the transaction to determine whether, in fact, the transaction was clearly erroneous. If such officials determine that a trade is clearly erroneous, they shall void or modify the terms of the trade to achieve an equitable rectification of the error. A Member may appeal the initial decision by Exchange officials to the Clearly Erroneous Execution Panel, which will be comprised of the CRO, or a designee of the CRO, and representatives from two (2) Members. An officer of the Exchange also will have the authority, on his or her own motion, to review and declare null and void, or otherwise modify the terms of, transactions arising out of the use of the Exchange's

order book during a period of disruption or malfunction, or in the event of extraordinary market conditions or other circumstances in which the nullification or modification of transactions may be necessary for the maintenance of a fair and orderly market or the protection of investors and the public interest.

The Exchange intends to phase-in the trading of securities currently trading on Direct Edge ECN, LLC's trading platform to the Exchange, and it will provide appropriate advance notice to its members of the phase-in schedule.

Trade Reporting. The Exchange intends to become a participant in the Consolidated Tape Association Plan ("CTA Plan") and will report trades in Eligible Securities (as defined in the CTA Plan) pursuant to the terms of the plan. Similarly, the Exchange expects to join the Nasdaq-UTP Plan and will report trades in Nasdaq securities traded on the Exchange that have been admitted to unlisted traded privileges pursuant to the provisions of that plan.

Clearance and Settlement of Exchange Trades. The Exchange will require each Member to be a member of a registered clearing agency or clear its transactions through a Member that is a member of a registered clearing agency.

I. Exchange Users Manual (#7)

As discussed above, Members will be provided with the Exchange's technical specifications, which will enable them to develop or purchase their own, customized front-end software for interfacing with the Exchange. Members also may use third-party vendors to route orders to the Exchange via a front end or service bureau configuration. The Exchange has published technical FIX specifications (attached hereto) on its web site and will provide Members, prospective Members and other users of the Exchange with additional information that the Exchange believes will be useful to such persons for trading on the Exchange.

Amendments to Exhibit F

Exhibit Request:

A complete set of all forms pertaining to:

- 1. Application for membership, participation or subscription to the entity.**
- 2. Application for approval as a person associated with a member, participant or subscriber of the entity.**
- 3. Any other similar materials.**

Amendments from prior response:

Attached please find the following documents:

1. Application Checklist. [no change]
2. Membership Application for EDGX Exchange [no change]
3. Clearing Letter of Guarantee.
4. User Agreement.
5. Routing Agreement for Members.
6. Exchange Data Vendor Agreement.
7. Service Bureau Agreement. [no change]
8. Waive-In Membership Application Form. [no change]
9. Sponsored Access Participant Agreement. [no change]
Sponsoring Member Consent [no change]

The Exchange intends to use Form U-4, the Uniform Application for Securities Industry Registration or Transfer, for persons applying to be associated persons of a Member.

Amendments to Exhibit I

Amendments from prior response:

EDGX Exchange, Inc. was recently formed, and thus, does not yet have audited financial statements for the latest fiscal year. Prior to the launch of the Exchange, the Exchange represents that Direct Edge Holdings, Inc. will allocate sufficient operational assets and make a capital contribution of two million (\$2,000,000) dollars into the Exchange's capital account. The Exchange represents that such an allocation and contribution will be adequate to operate the Exchange, including the regulation of the Exchange. In addition, the Exchange represents that there will be an explicit agreement between the Exchange and Direct Edge Holdings, Inc. that requires Direct Edge Holdings, Inc. to provide adequate funding for the Exchange's operations, including the regulation of the Exchange.

Amendments to Exhibit J

Amendments from prior response:

2. Directors

On a temporary basis, William O'Brien has been appointed as the sole director of the Exchange entity. Upon the approval of EDGX Exchange's Form 1 Application for

Registration as a National Securities Exchange by the Commission, Direct Edge Holdings LLC, as the sole owner of the common stock in the Exchange, will elect directors in accordance with the Certificate of Incorporation and By-Laws of the Exchange and the Operating Agreement of Direct Edge Holdings LLC. All Directors, including the Owner Directors and Chief Executive Officer, will serve staggered three years terms, subject to the terms of the Bylaws.

At least one Independent Director will be a public, non-industry representative not associated with a member of the Exchange or with a broker or dealer, as required pursuant to Section 6(b)(3) of the Securities and Exchange Act of 1934. If the Exchange forms an Executive Committee, that Executive Committee will be in compliance with Section 6(b)(3) of the Securities and Exchange Act of 1934. The initial directors of the Exchange will likely be the persons listed below:

Initial Directors

Chairman and Chief Executive Officer:	William O'Brien
Owner Director:	[TO BE PROVIDED]
Owner Director:	[TO BE PROVIDED]
Owner Director:	[TO BE PROVIDED]
Owner Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Independent Director:	[TO BE PROVIDED]
Member Director:	[TO BE PROVIDED]
Member Director:	[TO BE PROVIDED]
Member Director:	[TO BE PROVIDED]
Member Director:	[TO BE PROVIDED]

Amendments to Exhibit L

Exhibit Request:

Describe the exchange's criteria for membership in the exchange. Describe conditions under which members may be subject to suspension or termination with regard to access to the exchange. Describe any procedures that will be involved in the suspension or termination of a member.

Response:

Membership on the Exchange will be open to any registered broker or dealer or any natural person associated with a registered broker or dealer. Any person may become an associated person of a Member of the Exchange. Exchange Members will be entitled to enter and view orders to buy and sell securities listed or admitted to unlisted trading privileges on the Exchange in accordance with Exchange Rules.

To become a Member of the Exchange, or continue as a Member of the Exchange, a person: (1) if other than a natural person, must be a registered broker or dealer, (2) if a natural person, must be either a registered broker or dealer or associated with a registered broker or dealer, (3) must be a member of another self-regulatory organization, (4) must clear transactions through a registered clearing agency using a continuous net settlement system, (5) must not be subject to a statutory disqualification (except pursuant to an order of the Securities and Exchange Commission permitting such membership), (6) must meet the standards of training, experience and competence as the exchange may prescribe, (7) must comply with Rule 15c3-1 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and other financial responsibility and operational capability requirements that may be established by the Exchange, (8) must be able to comply with the rules of the Exchange, including rules related to the maintenance of appropriate books and records, (9) must be able to demonstrate adequate systems capability, capacity, integrity and security, (10) must not be subject to unsatisfied material liens, judgments, and claims, (11) must not have been subject to any bankruptcy, receivership or arrangement for the benefit of creditors within a three year period, (12) must not have established a pattern of failure to pay just debts or defaulted, without reasonable explanation, on an obligation to another self-regulatory organization or member thereof, and (13) must not have engaged in acts or practices inconsistent with just and equitable principles of trade. Members may be suspended for failure to pay Exchange dues, fees and assessments, or if they have been expelled or suspended from membership, or association in another self-regulatory organization.

Applicants for membership on the Exchange will be required to complete a membership application agreeing, among other things, to comply with the By-Laws, Rules and interpretations of the Exchange. Existing members of SROs that are also current or former subscribers to the electronic communications network operated by Direct Edge ECN LLC will, for a short time after the commencement of trading on the Exchange, be permitted to submit a short-form waive-in membership application form. Membership applications will be reviewed by the Exchange staff. Denials of membership by the staff may be appealed pursuant to the Adverse Action procedures set forth in Chapter X of the Exchange's proposed Rules.

The Exchange may revoke the membership of a Member or an associated person whenever it has reason to believe that such Member fails to meet the membership qualification requirements of the Exchange.

Persons subject to suspension or termination with regard to access to the Exchange will be afforded an opportunity to be heard under Exchange Rules governing adverse actions. Persons applying for a hearing pursuant to these rules will be required to do so within 15 business days after being notified of such action. Applicants are permitted to submit any additional documents, statements, arguments or other materials in support of their application. Hearings will be held by the Appeals Committee, which will render its decision on the matter in writing. Decisions of the Appeals Committee will be subject to review by the Board of Directors of the Exchange either on its own motion or upon the written request of an applicant. The Board may affirm, reverse or modify, in whole or in part, the decision of the Appeals Committee.

A more detailed description of the Exchange's Adverse Actions procedure is set forth in Chapter X of the Exchange's proposed rules.

The Exchange has entered into a regulatory services agreement with the ISE LLC to perform surveillance including, but not limited to, reviews respecting trading through protected quotes, locked and crossed markets, manipulation, washed trades, marking the close, customer complaints, front running, trading ahead of customer orders and anti-spoofing. ISE Surveillance will work closely with the market operations and legal/compliance groups of the Exchange, when needed, to perform error trade reviews.

The Exchange also entered into a regulatory services agreement with the Financial Industry Regulatory Authority ("FINRA") to conduct various regulatory services on behalf of the Exchange. The Exchange represents that FINRA will assist Exchange staff on registration issues on an as-needed basis, investigate potential violations of the Exchange's rules or federal securities laws related to activity on the Exchange, conduct examinations related to market conduct on the Exchange by Members, assist the Exchange with disciplinary proceeding pursuant to the Exchange's Rules, including issuing charges and conducting hearings, and provide dispute resolution services to the Exchange Members on behalf of the Exchange, including operation of the Exchange's arbitration program. The Exchange represents that FINRA also will provide the Exchange with access to FINRA's WebCRD system, and will assist with programming Exchange-specific-functionality relating to such system. Notwithstanding the Regulatory Contract, the Exchange will retain ultimate legal responsibility for the regulation of its members and its market.

In addition, it is the Exchange's intention to file with the Commission a plan setting forth the allocation of certain regulatory responsibilities between itself and FINRA pursuant to Rule 17d-2 of the Exchange Act.

EDGX EXCHANGE, INC.

RULES OF EDGX EXCHANGE, INC.

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CHAPTER I. ADOPTION, INTERPRETATION AND APPLICATION OF RULES, AND DEFINITIONS

Rule 1.1. Adoption of Exchange Rules

The following Exchange Rules are adopted pursuant to Article III, Section 1 and Article X, Section 1 of the By-Laws of the Exchange.

Rule 1.2. Interpretation

Exchange Rules shall be interpreted in such a manner to comply with the rules and requirements of the Act and to effectuate the purposes and business of the Exchange, and to require that all practices in connection with the securities business be just, reasonable and not unfairly discriminatory.

Rule 1.3. Applicability

Exchange Rules shall apply to all Members and persons associated with a Member.

Rule 1.4. Effective Time

All Exchange Rules shall be effective when approved by the Commission in accordance with the Act and the rules and regulations thereunder, except for those Rules that are effective upon filing with the Commission in accordance with the Act and the rules thereunder and except as otherwise specified by the Exchange or provided elsewhere in these Rules.

Rule 1.5. Definitions

Unless the context otherwise requires, for all purposes of these Exchange Rules, terms used in Exchange Rules shall have the meaning assigned in Article I of the Exchange's By-Laws or as set forth below:

(a) Act

The term "Act" or "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(b) Adverse Action

The term "adverse action" shall mean any action taken by the Exchange which affects adversely the rights of any Member, applicant for membership, or any person associated with a Member (including the denial of membership and the barring of any person from becoming associated with a Member) and any prohibition or limitation by the Exchange imposed on any person with respect to access to services offered by the Exchange, or a Member thereof. This term does not include disciplinary actions for violations of any provision of the Act or the rules and regulations promulgated thereunder, or any provision of the By-Laws or Exchange Rules or any interpretation thereof or resolution or order of the Board or appropriate Exchange committee which has been filed with the Commission pursuant to Section 19(b) of the Act and has become

effective thereunder. Review of disciplinary actions is provided for in Chapter VIII of the Exchange Rules.

(c) Authorized Trader

The term "Authorized Trader" or "AT" shall mean a person who may submit orders (or who supervises a routing engine that may automatically submit orders) to the Exchange's trading facilities on behalf of his or her Member or Sponsored Participant.

(d) EDGX Book

The term "EDGX Book" shall mean the System's electronic file of orders.

(e) Board and Board of Directors

The terms "Board" and "Board of Directors" shall mean the Board of Directors of the Exchange.

(f) Broker

The term "broker" shall have the same meaning as in Section 3(a)(4) of the Act.

(g) Commission

The term "Commission" shall mean the Securities and Exchange Commission.

(h) Dealer

The term "dealer" shall have the same meaning as in Section 3(a)(5) of the Act.

(i) Designated Self-Regulatory Organization

The term "designated self-regulatory organization" shall mean a self-regulatory organization, other than the Exchange, designated by the Commission under Section 17(d) of the Act to enforce compliance by Members with Exchange Rules.

(j) Exchange

The term "Exchange" shall mean EDGX EXCHANGE, Inc., a registered national securities exchange.

(k) Industry Member

The term "Industry Member" means a member of any committee or hearing panel who (i) is or has served in the prior three years as an officer, director, or employee of a broker or dealer, excluding an outside director or a director not engaged in the day-to-day management of a broker or dealer; (ii) is an officer, director (excluding an outside director), or employee of an entity that owns more than ten percent of the equity of a broker or dealer, and the broker or dealer accounts for more than five percent of the gross revenues received by the consolidated entity; (iii) owns more than five percent of the equity securities of any broker or dealer, whose investments in

brokers or dealers exceed ten percent of his or her net worth, or whose ownership interest otherwise permits him or her to be engaged in the day-to-day management of a broker or dealer; (iv) provides professional services to brokers or dealers, and revenues for such services constitute 20 percent or more of the professional revenues received by such member or 20 percent or more of the gross revenues received by such member's firm or partnership; (v) provides professional services to a director, officer, or employee of a broker, dealer, or corporation that owns 50 percent or more of the voting stock of a broker or dealer, and such services relate to the director's, officer's, or employee's professional capacity and constitute 20 percent or more of the professional revenues received by such member or 20 percent or more of the gross revenues received by such member's firm or partnership; or (vi) has a consulting or employment relationship with or provides professional services to the Exchange or any affiliate thereof or has had any such relationship or provided any such services at any time within the prior three years.

(l) Member

The term "Member" shall mean any registered broker or dealer, or any person associated with a registered broker or dealer, that has been admitted to membership in the Exchange. A Member will have the status of a "member" of the Exchange as that term is defined in Section 3(a)(3) of the Act.

(m) NBB, NBO and NBBO

The term "NBB" shall mean the national best bid, the term "NBO" shall mean the national best offer, and the term "NBBO" shall mean the national best bid or offer.

(n) Person

The term "person" shall mean a natural person, partnership, corporation, limited liability company, entity, government, or political subdivision, agency or instrumentality of a government.

(o) Person Associated with a Member

The terms "person associated with a Member" or "associated person of a Member" means any partner, officer, director, or branch manager of a Member (or person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with such Member, or any employee of such Member, except that any person associated with a Member whose functions are solely clerical or ministerial shall not be included in the meaning of such term for purposes of these Rules.

(p) Post-Closing Session

The term "Post-Closing Session" shall mean the time between 4:00 p.m. and 8:00 p.m. Eastern Time.

(q) Pre-Opening Session

The term "Pre-Opening Session" shall mean the time between 8:00 a.m. and 9:30 a.m. Eastern Time.

(r) Principal

The term "Principal" shall mean Persons associated with a member who are actively engaged in the management of the member's securities business, including supervision, solicitation, conduct of business or the training of persons associated with a Member for any of these functions. Such persons shall include sole proprietors, officers, partners, managers of business offices engaged in such functions, and directors of corporations.

(s) Protected NBB, Protected NBO and Protected NBBO

The term "Protected NBB" shall mean the national best bid that is a Protected Quotation, the term "Protected NBO" shall mean the national best offer that is a Protected Quotation, and the term "Protected NBBO" shall mean the national best bid or offer that is a Protected Quotation.

(t) Protected Bid, Protected Offer and Protected Quotation

The term "Protected Bid" or "Protected Offer" shall mean a bid or offer in a stock that is (i) displayed by an automated trading center; (ii) disseminated pursuant to an effective national market system plan; and (iii) an automated quotation that is the best bid or best offer of a national securities exchange or association. The term "Protected Quotation" shall mean a quotation that is a Protected Bid or Protected Offer.

(u) Qualified Clearing Agency

The term "Qualified Clearing Agency" means a clearing agency registered with the Commission pursuant to Section 17A of the Act that is deemed qualified by the Exchange.

(v) Registered Broker or Dealer

The term "registered broker or dealer" means any registered broker or dealer, as defined in Section 3(a)(48) of the Act, that is registered with the Commission under the Act.

(w) Regular Trading Hours

The term "Regular Trading Hours" means the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

(x) Sponsored Participant

The term "Sponsored Participant" shall mean a person which has entered into a sponsorship arrangement with a Sponsoring Member pursuant to Rule 11.3.

(y) Sponsoring Member

The term "Sponsoring Member" shall mean a Member that is a registered broker-dealer and that has been designated by a Sponsored Participant to execute, clear and settle transactions resulting from the System. The Sponsoring Member shall be either (i) a clearing firm with membership in a clearing agency registered with the Commission that maintains facilities through which transactions may be cleared or (ii) a correspondent firm with a clearing arrangement with any such clearing firm.

(z) Statutory Disqualification

The term "statutory disqualification" shall mean any statutory disqualification as defined in Section 3(a)(39) of the Act.

(aa) System

The term "System" shall mean the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away.

(bb) Top of Book

The term "Top of Book" shall mean the best-ranked order to buy (or sell) in the EDGX Book as ranked pursuant to Rule 11.8.

(cc) User

The term "User" shall mean any Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3.

(dd) UTP Security

The term "UTP Security" shall mean any security that is not listed on the Exchange but is traded on the Exchange pursuant to unlisted trading privileges.

CHAPTER II. MEMBERS OF THE EXCHANGE

Rule 2.1. Rights, Privileges and Duties of Members

Unless otherwise provided in the Exchange Rules or the By-Laws of the Exchange, each Member shall have the rights, privileges and duties of any other Member.

Rule 2.2. Obligations of Members and the Exchange

In addition to all other obligations imposed by the Exchange in its By-Laws or the Exchange Rules, all Members, as a condition of effecting approved securities transactions on the Exchange's trading facilities, shall agree to be regulated by the Exchange and shall recognize that the Exchange is obligated to undertake to enforce compliance with the provisions of the Exchange Rules, its By-Laws, its interpretations and policies and with the provisions of the Act and regulations thereunder, and that, subject to orders and rules of the Commission, the Exchange is required to discipline Members and persons associated with Members for violations of the provisions of the Exchange Rules, its By-Laws, its interpretations and policies and the Act and regulations thereunder, by expulsion, suspension, limitation of activities, functions, and operations, fines, censure, being suspended or barred from being associated with a Member, or any other fitting sanction.

Rule 2.3. Member Eligibility & Registration

(a) Except as hereinafter provided, any broker or dealer registered pursuant to Section 15 of the Act, that is and remains a member of another registered national securities exchange or association, or any person associated with such a registered broker or dealer, shall be eligible to be and to remain a Member. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization or individual that has been approved by the Exchange.

(b) Registration Requirements

Except as provided in paragraph (f), below, all Authorized Traders shall be registered with the Exchange. Before their registration can become effective, they shall pass the applicable qualification examination as determined by the Exchange. A Member shall not maintain a registration with the Exchange for any person: (1) who is not an Authorized Trader, or (2) where the sole purpose is to avoid the examination requirement prescribed below. A Member shall not make application for the registration of any Authorized Trader where there is no intent to employ such person in the Member's equities securities business.

Any Authorized Trader whose registration has been revoked or whose most recent registration has been terminated for a period of two (2) years or longer immediately preceding the date of receipt by the Exchange of a new application shall be required to pass a new qualification examination as determined by the Exchange.

(c) All Principals Must Be Registered

All Authorized Traders who are to function as Principals shall be registered with the Exchange. Before their registration can become effective, they shall pass the applicable qualification examination for Principals as determined by the Exchange. A Member shall not maintain a principal registration with the Exchange for any person: (1) who is no longer functioning as a Principal, or (2) where the sole purpose is to avoid the examination requirement prescribed below. A Member shall not make application for the registration of any person as Principal where there is no intent to employ such person in the Member's equities securities business. Any person whose registration has been revoked or whose most recent registration as a Principal has been terminated for a period of two years or longer immediately preceding the date of receipt by the Exchange of a new application shall be required to pass a new qualification examination for Principals as determined by the Exchange.

(d) Application for Principal Status

(1) An Authorized Trader whose duties are changed so as to require registration as a Principal shall be allowed a period of 90 calendar days following such change to pass the appropriate qualification examination for Principals as determined by the Exchange. Upon elevation, the Member shall submit to the Exchange an amended Uniform Application for Securities Industry Registration or Transfer ("Form U-4") and the applicable fees. In no event may a person function as a Principal beyond the initial 90 calendar day period following the change in his or her duties without having successfully passed the appropriate qualification examination .

(2) Any person not presently associated with a Member as an Authorized Trader seeking registration as a Principal shall submit the appropriate application for registration and any required registration and examination fees. Such person shall be allowed a period of 90 days after all applicable prerequisites are fulfilled to pass the appropriate qualification examination for Principals as determined by the Exchange. In no event may a person previously unregistered in any capacity applying for principal status function as a Principal until fully qualified.

(e) Requirement of One Registered Principal for Members. All Members shall have at least one officer or partner who is registered as a Principal with respect to the Member's equities securities business and, at a minimum, one such Principal shall be the Member's chief compliance officer. This requirement applies to persons seeking admission as Members and existing Members.

(f) Persons Exempt from Registration. The following persons associated with a Member are not required to be registered with the Exchange:

(1) persons associated with a Member whose functions are solely and exclusively clerical or ministerial;

(2) persons associated with a Member who are not actively engaged in the equities securities business; and

(3) persons associated with a Member that are not citizens, nationals, or residents of the United States or any of its territories or possessions and that will conduct all of their equities securities activities in areas outside the jurisdiction of the United States and will not engage in any equities securities activities with or for any citizen, national, or resident of the United States.

Rule 2.4. Application Process and Waive-In

(a) Applicants for Exchange membership that are also simultaneously applying for membership with the Financial Industry Regulatory Authority ("FINRA") may file one application with FINRA in compliance with the FINRA Rule 1010 Series; however, the Exchange will not take action on the application for Exchange membership until the applicant is an active member of FINRA.

(b) For a temporary period beginning on the date the Exchange is approved by the SEC as a national securities exchange and ending 90 days after such date, an applicant that is an active member of FINRA or a registered national securities exchange and is a current or former subscriber to the electronic communications network operated by Direct Edge ECN LLC d/b/a DE Route shall have the option to:

- (1) apply to become a Member, and
- (2) apply to automatically register with Exchange all of its associated persons
 - (A) whose registrations are active at the time the Exchange is approved as a national securities exchange, and
 - (B) who are registered in categories recognized by the Exchange,

by submitting a waive-in application form as prescribed by the Exchange, including an agreement or agreements conforming with Rule 2.6(a)(1) through (a)(5). The Exchange may request additional documentation in addition to the waive-in application form in order to determine that a waive-in applicant meets the qualification standards set forth in Rule 2.5.

Rule 2.5. Restrictions

(a) No person may become a Member or continue as a Member in any capacity on the Exchange where:

- (1) such person is other than a natural person and is not a registered broker or dealer;
- (2) such person is a natural person who is not either a registered broker or dealer or associated with a registered broker or dealer;
- (3) such person is subject to a statutory disqualification, except that a person may become a Member or continue as a Member where, pursuant to Rules 19d-1, 19d-2, 19d-3 and

19h-1 of the Act, the Commission has issued an order providing relief from such a disqualification and permitting such a person to become a Member; or

(4) such person is not a member of another registered national securities exchange or association.

(b) No natural person or registered broker or dealer shall be admitted as, or be entitled to continue as, a Member or an associated person of a Member, unless such natural person or broker or dealer meets the standards of training, experience and competence as the Exchange may prescribe. Each Member shall have the responsibility and duty to ascertain by investigation the good character, business repute, qualifications and experience of any person applying for registration with the Exchange as an associated person of such Member.

(c) No registered broker or dealer shall be admitted as, or be entitled to continue as, a Member if such broker or dealer:

(1) fails to comply with either the financial responsibility requirements established by Rule 15c3-1 under the Act, or such other financial responsibility and operational capability requirements as may be established by the Exchange Rules;

(2) fails to adhere to the Exchange Rules relating to the maintenance of books and records or those rules of other self-regulatory organizations of which such broker or dealer is or was a Member;

(3) fails to demonstrate to the Exchange adequate systems capability, capacity, integrity and security necessary to conduct business on the Exchange;

(4) does not clear transactions executed on the Exchange through a registered clearing agency using a continuous net settlement system;

(5) is subject to any unsatisfied liens, judgments or unsubordinated creditor claims of a material nature, which, in the absence of a reasonable explanation therefor, remain outstanding for more than six months;

(6) has been subject to any bankruptcy proceeding, receivership or arrangement for the benefit of creditors within the past three years; or

(7) has engaged in an established pattern of failure to pay just debts or has defaulted, without a reasonable explanation, on an obligation to a self-regulatory organization, or any member of a self-regulatory organization.

(d) No person shall be admitted as a Member or as an associated person of a Member where it appears that such person has engaged, and there is a reasonable likelihood that such person again may engage, in acts or practices inconsistent with just and equitable principles of trade.

(e) No person shall become an associated person of a Member unless such person agrees:

(1) to supply the Exchange with such information with respect to such person's relationships and dealings with the Member as may be specified by the Exchange;

(2) to permit examination of such person's books and records by the Exchange to verify the accuracy of any information so supplied; and

(3) to be regulated by the Exchange and to recognize that the Exchange is obligated to undertake to enforce compliance with the provisions of the Exchange Rules, the By-Laws, the interpretations and policies of the Exchange and the provisions of the Act and the regulations thereunder.

Interpretations and Policies

.01 The Exchange may require the successful completion of a written proficiency examination to enable it to examine and verify that prospective Members and associated persons of Members have adequate training, experience and competence to comply with the Exchange Rules and policies of the Exchange.

.02 If the Exchange requires the completion of such proficiency examinations, the Exchange may, in exceptional cases and where good cause is shown, waive such proficiency examinations as are required by the Exchange upon written request of the applicant and accept other standards as evidence of an applicant's qualifications. Advanced age, physical infirmity or experience in fields ancillary to the securities business will not individually of themselves constitute sufficient grounds to waive a proficiency examination.

.03 The Exchange requires the General Securities Representative Examination ("Series 7") in qualifying persons seeking registration as general securities representatives, including as Authorized Traders on behalf of Members. The Exchange uses the Form U-4 as part of its procedure for registration and oversight of Member personnel.

(1) Except as provided below, every initial and transfer electronic Form U-4 filing and any amendments to the disclosure information on Form U-4 shall be based on a manually signed Form U-4 provided to the Member or applicant for membership by the person on whose behalf the Form U-4 is being filed. A Member may file electronically amendments to the disclosure information on Form U-4 without obtaining the subject associated person's manual signature on the form, provided that the Member shall use reasonable efforts to:

(A) provide the associated person with a copy of the amended disclosure information prior to filing; and

(B) obtain the associated person's written acknowledgment (which may be electronic) prior to filing that the information has been received and reviewed.

(2) In the event a member is not able to obtain an associated person's manual signature or written acknowledgement of amended disclosure information on Form U4 prior to filing of such information, the Member is obligated to file the disclosure information as to which it has knowledge. The Member shall use reasonable efforts to provide the associated person with a copy of the amended disclosure information that was filed.

(3) A Member may file electronically amendments to administrative data on Form U-4 without obtaining the subject associated person's signature on the form. The Member shall use reasonable efforts to provide the associated person with a copy of the amended administrative information that was filed.

(4) Initial filings and amendments of the Uniform Termination Notice for Securities Industry Registration ("Form U-5") Filings shall be submitted electronically.

.04 The Exchange requires the Regulatory Element of the Continuing Education Requirement for all persons engaged or to be engaged in the equities securities business of a Member who are to function as Principals or Authorized Traders of Members.

(1) Requirements

No Member shall permit any Authorized Trader or Principal to continue to, and no Authorized Trader or Principal shall continue to, perform his or her respective duties on behalf of such Member unless such person has complied with the requirements of this Interpretation .04. Each Authorized Trader or Principal shall complete the Regulatory Element of the Continuing Education requirement (the "Regulatory Element") on the occurrence of their second registration anniversary date and every three years thereafter, or as otherwise prescribed by the Exchange. On each occasion, the Regulatory Element must be completed within 120 days after the respective registration anniversary date. A person's initial registration date, also known as the "base date," shall establish the cycle of anniversary dates for purposes of this Rule. The content of the Regulatory Element shall be determined by the Exchange and shall be appropriate to either the registered representative or principal status of persons subject to this Interpretation.

(2) Failure to Complete

Unless otherwise determined by the Exchange, any Authorized Traders or Principals who have not completed the Regulatory Element within the prescribed time frames will have their registrations deemed inactive until such time as such requirements have been satisfied. Any person whose registration has been deemed inactive under this Interpretation shall cease all activities as an Authorized Trader or Principal and is prohibited from performing any duties and functioning in any capacity requiring registration. A registration that is inactive for a period of two years will be administratively terminated. A person whose registration is so terminated may reactivate the registration only by reapplying for registration and meeting the qualification requirements of the applicable provisions of these Rules. The Exchange may, upon application and a showing of good cause, allow for additional time for a registered person to satisfy the Regulatory Element.

(3) Disciplinary Actions

Unless otherwise determined by the Exchange, an Authorized Trader or Principal will be required to re-satisfy the Regulatory Element in the event such person:

(A) is subject to any statutory disqualification as defined in Section 3(a)(39) of the Act;

(B) is subject to suspension or to the imposition of a fine of \$5,000 or more for violation of any provision of any securities law or regulation, or any agreement with or rule or standard of conduct of any securities governmental agency, securities self-regulatory organization, or as imposed by any such regulatory or self-regulatory organization in connection with a disciplinary proceeding; or

(C) is ordered as a sanction in a disciplinary action to retake the Regulatory Element by any securities governmental agency or self-regulatory organization.

The retaking of the Regulatory Element shall commence with participation within 120 days of the Authorized Trader or Principal becoming subject to the statutory disqualification, in the case of (A) above, or the disciplinary action becoming final, in the case of (B) and (C) above. The date of the disciplinary action shall be treated as such person's new base date with the Exchange.

(4) Reassociation in a Registered Capacity

Any Principal or Authorized Trader who has terminated association with a member and who has, within two years of the date of termination, become reassociated in a registered capacity with a Member shall satisfy the Regulatory Element at such intervals that may apply (second anniversary and every three years thereafter) based on the initial registration anniversary date rather than based on the date of reassociation in a registered capacity.

Rule 2.6. Application Procedures for Membership or to become an Associated Person of a Member

(a) Applications for membership shall be made to the Exchange and shall contain the following:

(1) An agreement to abide by, comply with, and adhere to the provisions of the Exchange's Certificate of Incorporation, its By-Laws, the Exchange Rules, the policies, interpretations and guidelines of the Exchange and all orders and decisions of the Exchange's Board and penalties imposed by the Board, and any duly authorized committee; provided, however, that such agreement shall not be construed as a waiver by the applicant of any right to appeal as provided in the Act.

(2) An agreement to pay such dues, assessments, and other charges in the manner and amount as shall from time to time be fixed by the Exchange.

(3) An agreement that the Exchange and its officers, employees and members of its Board and of any committee shall not be liable, except for willful malfeasance, to the applicant or to any other person, for any action taken by such director, officer or member in his official capacity, or by any employee of the Exchange while acting within the scope of his employment, in connection with the administration or enforcement of any of the provisions of the Certificate of Incorporation, By-Laws, Exchange Rules, policies, interpretations or guidelines of the Exchange or any penalty imposed by the Exchange, its Board or any duly authorized committee.

(4) An agreement that, in cases where the applicant fails to prevail in a lawsuit or administrative adjudicative proceeding instituted by the applicant against the Exchange or any of

its officers, directors, committee members, employees or agents, to pay the Exchange or any of its officers, directors, committee members, employees or agents, all reasonable expenses, including attorneys' fees, incurred by the Exchange in the defense of such proceeding, but only in the event that such expenses exceed Fifty Thousand Dollars (\$50,000.00); provided, however, that such payment obligation shall not apply to internal disciplinary actions by the Exchange or administrative appeals.

(5) An agreement to maintain and make available to the Exchange, its authorized employees and its Board or committee members such books and records as may be required to be maintained by the Commission or the Exchange Rules.

(6) Such other reasonable information with respect to the applicant as the Exchange may require.

(b) Applications for association with a Member shall be made on Form U-4 and such other forms as the Exchange may prescribe, and shall be delivered to the Exchange in such manner as designated by the Exchange.

(c) If the Exchange is satisfied that the applicant is qualified for membership pursuant to the provisions of this Chapter, the Exchange shall promptly notify, in writing, the applicant of such determination, and the applicant shall be a Member.

(d) If the Exchange is not satisfied that the applicant is qualified for membership pursuant to the provisions of this Chapter, the Exchange shall promptly notify the applicant of the grounds for denying the applicant. The Board on its own motion may reverse the determination that the applicant is not qualified for membership. If a majority of the Board specifically determines to reverse the determination to deny membership, the Board shall promptly notify Exchange staff, who shall promptly notify the applicant of the Board's decision and shall grant membership to the applicant. An applicant who has been denied membership may appeal such decision under Chapter X of the Exchange Rules governing adverse action.

(e) In considering applications for membership, the Exchange shall adhere to the following procedures:

(1) Where an application is granted, the Exchange shall promptly notify the applicant.

(2) The applicant shall be afforded an opportunity to be heard on the denial of membership pursuant to Chapter X of the Exchange Rules governing adverse action.

(f) Except where, pursuant to Section 17(d) of the Act, the Exchange has been relieved of its responsibility to review and act upon applications for associated persons of a Member, the procedure set forth in this Chapter shall govern the processing of any such applications.

Rule 2.7. Revocation of Membership or Association with a Member

Members or associated persons of Members may effect approved equities securities transactions on the Exchange's trading facilities only so long as they possess all the qualifications set forth in the Exchange Rules. Except where, pursuant to Section 17(d) of the Act, the Exchange has been

relieved of its responsibility to monitor the continued qualifications of a Member or an associated person of a Member, when the Exchange has reason to believe that a Member or associated person of a Member fails to meet such qualifications, the Exchange may act to revoke such person's membership or association. Such action shall be instituted under, and governed by, Chapters VII and VIII of the Exchange Rules and may be appealed under Chapter X of the Exchange Rules governing adverse action. In connection with any revocation of rights as a Member or voluntary termination of rights as a Member pursuant to Rule 2.8, the Member's membership in the Exchange shall be cancelled.

Rule 2.8. Voluntary Termination of Rights as a Member

A Member may voluntarily terminate its rights as a Member only by a written resignation addressed to the Exchange's Secretary or another officer designated by the Exchange. Such resignation shall not take effect until 30 days after all of the following conditions have been satisfied: (i) receipt of such written resignation; (ii) all indebtedness due the Exchange shall have been paid in full; (iii) any Exchange investigation or disciplinary action brought against the Member has reached a final disposition; and (iv) any examination of such Member in process is completed and all exceptions noted have been reasonably resolved; provided, however, that the Board may declare a resignation effective at any time.

Rule 2.9. Dues, Assessments and Other Charges

The Exchange may prescribe such reasonable assessments, dues or other charges as it may, in its discretion, deem appropriate. Such assessments and charges shall be equitably allocated among Members, issuers and other persons using the Exchange's facilities.

Rule 2.10. Affiliation between Exchange and a Member

Without the prior approval of the Commission, the Exchange or any entity with which it is affiliated shall not, directly or indirectly, acquire or maintain an ownership interest in a Member. In addition, without the prior approval of the Commission, a Member shall not be or become an affiliate of the Exchange, or an affiliate of any affiliate of the Exchange. The term affiliate shall have the meaning specified in Rule 12b-2 under the Act. Nothing in this Rule 2.10 shall prohibit a Member or its affiliate from acquiring or holding an equity interest in Direct Edge Holdings LLC that is permitted by the ownership and voting limitations contained in the Operating Agreement and By-Laws of Direct Edge Holdings LLC. In addition, nothing in this Rule 2.10 shall prohibit a Member from being or becoming an affiliate of the Exchange, or an affiliate of any affiliate of the Exchange, solely by reason of such Member or any officer, director, manager, managing member, partner or affiliate of such Member being or becoming either (a) a Director (as such term is defined in the By-Laws of the Exchange) pursuant to the By-Laws of the Exchange, or (b) a Director serving on the Board of Directors of Direct Edge Holdings LLC. In addition, nothing in this Rule 2.10 shall prohibit the Exchange from being an affiliate of its routing broker/dealer Direct Edge ECN LLC d/b/a DE Route or of EDGA Exchange, Inc.

Rule 2.11. DE Route as Outbound Router

(a) For so long as Direct Edge ECN LLC d/b/a DE Route ("DE Route") is affiliated with the Exchange and is providing outbound routing of orders from the Exchange to other securities

exchanges, facilities of securities exchanges, automated trading systems, electronic communications networks or other brokers or dealers (collectively, "Trading Centers") (such function of DE Route is referred to as the "Outbound Router"), each of the Exchange and DE Route shall undertake as follows:

(1) The Exchange will regulate the Outbound Router function of DE Route as a facility (as defined in Section 3(a)(2) of the Act), subject to Section 6 of the Act. In particular, and without limitation, under the Act, the Exchange will be responsible for filing with the Commission rule changes and fees relating to the DE Route Outbound Router function and DE Route will be subject to exchange non-discrimination requirements.

(2) FINRA, a self-regulatory organization unaffiliated with the Exchange or any of its affiliates, will carry out oversight and enforcement responsibilities as the designated examining authority designated by the Commission pursuant to Rule 17d-1 of the Act with the responsibility for examining DE Route for compliance with applicable financial responsibility rules.

(3) A Member's use of DE Route to route orders to another Trading Center will be optional. Any Member that does not want to use DE Route may use other routers to route orders to other Trading Centers.

(4) DE Route will not engage in any business other than (a) its Outbound Router function, (b) its Inbound Router function as described in Rule 2.12, and (c) any other activities it may engage in as approved by the Commission.

(5) The Exchange shall establish and maintain procedures and internal controls reasonably designed to adequately restrict the flow of confidential and proprietary information between the Exchange and its facilities (including DE Route), and any other entity, including any affiliate of DE Route, and, if DE Route or any of its affiliates engages in any other business activities other than providing routing services to the Exchange, between the segment of DE Route or its affiliate that provides the other business activities and the routing services.

(b) The books, records, premises, officers, agents, directors and employees of DE Route as a facility of the Exchange shall be deemed to be the books, records, premises, officers, agents, directors and employees of the Exchange for purposes of, and subject to oversight pursuant to, the Act. The books and records of DE Route as a facility of the Exchange shall be subject at all times to inspection and copying by the Exchange and the Commission. Nothing in these Rules shall preclude officers, agents, directors or employees of the Exchange from also serving as officers, agents, directors and employees of DE Route.

Rule 2.12. DE Route as Inbound Router

(a) For so long as the Exchange is affiliated with EDGA Exchange, Inc., and Direct Edge ECN LLC d/b/a DE Route ("DE Route") in its capacity as a facility of the Exchange is utilized for the routing of orders from EDGA Exchange, Inc., to the Exchange, each of the Exchange and DE Route shall undertake as follows:

(1) The Exchange shall: (a) enter into a plan pursuant to Rule 17d-2 under the Exchange Act with a non-affiliated self-regulatory organization to relieve the Exchange of regulatory responsibilities for DE Route with respect to rules that are common rules between the Exchange and the SRO, and (b) enter into a regulatory services contract with a non-affiliated SRO to perform regulatory responsibilities for DE Route for unique Exchange rules.

(2) The regulatory services contract in paragraph 2.12(a)(1) shall require the Exchange to provide the non-affiliated self-regulatory organization with information, in an easily accessible manner, regarding all exception reports, alerts, complaints, trading errors, cancellations, investigations, and enforcement matters (collectively, "Exceptions") in which DE Route is identified as a participant that has potentially violated Exchange or SEC rules, and shall require that the non-affiliated self-regulatory organization provide a report to the Exchange quantifying all exception reports, alerts, complaints, trading errors, cancellations, investigations and enforcement matters on not less than a quarterly basis.

(3) The Exchange, on behalf of Direct Edge Holdings LLC, shall establish and maintain procedures and internal controls reasonably designed to ensure that DE Route does not develop or implement changes to its systems on the basis of nonpublic information obtained as a result of its affiliation with the Exchange until such information is available generally to similarly situated members of the Exchange in connection with the provision of inbound order routing to the Exchange.

(b) Provided the above conditions are complied with, and provided further that DE Route operates as an outbound router on behalf of EDGA Exchange, Inc., on the same terms and conditions as it does for the Exchange, and in accordance with the rules of EDGA Exchange, Inc., DE Route may provide inbound routing services to the Exchange from EDGA Exchange, Inc., for a Pilot Period ending [DATE-twelve months from the date of launch].

CHAPTER III. RULES OF FAIR PRACTICE

Rule 3.1. Business Conduct of Members

A Member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.

Rule 3.2. Violations Prohibited

No Member shall engage in conduct in violation of the Act, the rules or regulations thereunder, the By-Laws, Exchange Rules or any policy or written interpretation of the By-Laws or Exchange Rules by the Board or an appropriate Exchange committee. Every Member shall so supervise persons associated with the Member as to assure compliance with those requirements.

Rule 3.3. Use of Fraudulent Devices

No Member shall effect any transaction in, or induce the purchase or sale of, any security by means of any manipulative, deceptive or other fraudulent device or contrivance.

Rule 3.4. False Statements

No Member or applicant for membership, or person associated with a Member or applicant, shall make any false statements or misrepresentations in any application, report or other communication to the Exchange. No Member or person associated with a Member shall make any false statement or misrepresentation to any Exchange committee, officer, the Board or any designated self-regulatory organization in connection with any matter within the jurisdiction of the Exchange.

Rule 3.5. Advertising Practices

(a) No Member, directly or indirectly, in connection with the purchase or sale of any security that has listed or unlisted trading privileges on the Exchange, shall publish, circulate or distribute any advertisement, sales literature or market letter or make oral statements or presentations which the Member knows, or in the exercise of reasonable care should know, contain any untrue statement of material fact or which is otherwise false or misleading. Exaggerated or misleading statements or claims are prohibited.

(b) Advertisements, sales literature and market letters shall contain the name of the Member, the person or firm preparing the material, if other than the Member, and the date on which it was first published, circulated or distributed (except that in advertisements only the name of the Member need be stated).

(c) No cautionary statements or caveats, often called hedge clauses, may be used if they could mislead the reader or are inconsistent with the content of the material.

(d) Each item of advertising and sales literature and each market letter shall be approved by signature or initial, prior to use, by an officer, partner or other official the Member has designated to supervise all such matters.

(e) A separate file of all advertisements, sales literature and market letters, including the names of the persons who prepared them and/or approved their use, shall be maintained by the Member for a period of three years from the date of each use (for the first two years in a place readily accessible to examination or spot checks). Each Member shall file with the Exchange, or the designated self-regulatory organization for such Member, within five business days after initial use, each advertisement (i.e., any material for use in any newspaper or magazine or other public media or by radio, telephone, recording, motion picture or television, except tombstone advertisements), unless such advertisement may be published under the rules of another self-regulatory organization regulating the Member under the Act.

(f) Testimonial material based on experience with the Member or concerning any advice, analysis, report or other investment related service rendered by the Member must make clear that such testimony is not necessarily indicative of future performance or results obtained by others. Testimonials also shall state whether any compensation has been paid to the maker, directly or indirectly, and if the material implies special experience or expert opinion, the qualifications of the maker of the testimonial should be given.

(g) Any statement to the effect that a report or analysis or other service will be furnished free or without any charge shall not be made unless such report or analysis or other service actually is or will be furnished entirely free and without condition or obligation.

(h) No claim or implication may be made for research or other facilities beyond those which the Member actually possesses or has reasonable capacity to provide.

Rule 3.6. Fair Dealing with Customers

All Members have a fundamental responsibility for fair dealing with their customers. Practices which do not represent fair dealing include, but are not limited to, the following:

(a) Recommending speculative securities to customers without knowledge of or an attempt to obtain information concerning the customers' other securities holdings, their financial situation and other necessary data. This prohibition has particular application to high pressure telephonic sales campaigns;

(b) Excessive activity in customer accounts (churning or overtrading) in relation to the objectives and financial situation of the customer;

(c) Establishment of fictitious accounts in order to execute transactions which otherwise would be prohibited or which are contrary to the Member's policies.

(d) Causing the execution of transactions which are unauthorized by customers or the sending of confirmations in order to cause customers to accept transactions not actually agreed upon;

(e) Unauthorized use or borrowing of customer funds or securities; and

(f) Recommending the purchase of securities or the continuing purchase of securities in amounts which are inconsistent with the reasonable expectation that the customer has the financial ability to meet such a commitment.

Interpretations and Policies

.01 Members who handle customer orders on the Exchange shall establish and enforce objective standards to ensure queuing and executing of customer orders in a fair and equitable manner.

Rule 3.7. Recommendations to Customers

(a) In recommending to a customer the purchase, sale or exchange of any security, a Member shall have reasonable grounds for believing that the recommendation is suitable for such customer upon the basis of the facts disclosed by such customer, after reasonable inquiry by the Member, as to the customer's other securities holdings and as to the customer's financial situation and needs.

(b) A Member may use material referring to past recommendations if it sets forth all recommendations as to the same type, kind, grade or classification of securities made by the Member within the last year. Longer periods of years may be covered if they are consecutive and include the most recent year. Such material must also name each security recommended and give the date and nature of each recommendation (e.g., whether to buy or sell), the price at the time of the recommendation, the price at which, or the price within which, the recommendation was to be acted upon, and the fact that the period was one of generally falling or rising markets, if such was the case.

Interpretations and Policies

.01 Recommendations made in connection with products listed pursuant to Chapter XIV, if applicable, shall comply with the provisions of (a) above. No Member shall recommend to a customer a transaction in any such product unless the Member has a reasonable basis for believing at the time of making the recommendation that the customer has such knowledge and experience in financial matters that he may reasonably be expected to be capable of evaluating the risks of the recommended transaction and is financially able to bear the risks of the recommended position.

Rule 3.8. The Prompt Receipt and Delivery of Securities

(a) Purchases. No Member may accept a customer's purchase order for any security until it has first ascertained that the customer placing the order or its agent agrees to receive securities against payment in an amount equal to any execution, even though such an execution may represent the purchase of only a part of a larger order.

(b) Sales. No Member shall execute a sale order for any customer or for its own account in any security unless such sale complies with the applicable provisions of the Act, including Regulation SHO.

Rule 3.9. Charges for Services Performed

A Member's charges, if any, for services performed (including miscellaneous services such as collection of moneys due for principal, dividends or interest; exchange or transfer of securities; appraisals, safekeeping or custody of securities; and other services) shall be reasonable and not unfairly discriminatory among customers.

Rule 3.10. Use of Information

A Member who, in the capacity of payment agent, transfer agent, or any other similar capacity, or in any fiduciary capacity, has received information as to the ownership of securities shall not make use of such information for soliciting purchases, sales or exchanges except at the request, and on behalf, of the issuer.

Rule 3.11. Publication of Transactions and Quotations

No Member shall report to the Exchange or publish or cause to be published any transaction as a purchase or sale of any security unless such Member believes that such transaction was a bona fide purchase or sale of such security, and no Member shall purport to quote the bid or asked price for any security, unless such Member believes that such quotation represents a bona fide bid for, or offer of, such security.

Rule 3.12. Offers at Stated Prices

No Member shall make an offer to buy from or sell to any person any security at a stated price unless such Member is prepared to purchase or sell, as the case may be, at such price and under such conditions as are stated at the time of such offer to buy or sell.

Rule 3.13. Payment Designed to Influence Market Prices, Other than Paid Advertising

No Member shall directly or indirectly, give, permit to be given, or offer to give anything of value to any person for the purpose of influencing or rewarding the action of such person in connection with the publication or circulation in any newspaper, investment service or similar publication of any matter which has, or is intended to have, an effect upon the market price of any security; provided, that this Rule shall not be construed to apply to a matter which is clearly identifiable as paid advertising.

Rule 3.14. Disclosure on Confirmations

A Member, at or before the completion of each transaction with a customer, shall give or send to such customer such written notification or confirmation of the transaction as is required by Commission Rule 10b-10.

Rule 3.15. Disclosure of Control

A Member controlled by, controlling, or under common control with, the issuer of any security, shall disclose to a customer the existence of such control before entering into any contract with or for such customer for the purchase or sale of such security, and if such disclosure is not made

in writing, it shall be supplemented by the giving or sending of a written disclosure to the customer at or before completion of the transaction.

Rule 3.16. Discretionary Accounts

(a) No Member shall effect any purchase or sale transactions with, or for, any customer's account in respect of which such Member is vested with any discretionary power if such transactions are excessive in size or frequency in view of the financial resources and character of such account.

(b) No Member shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization and the account has been accepted by the Member, as evidenced in writing by a person duly designated by the Member.

(c) The Member shall approve promptly in writing each discretionary order entered and shall review all discretionary accounts at frequent intervals in order to detect and prevent transactions which are excessive in size or frequency in view of the financial resources and character of the account. The Member shall designate a partner, officer or manager in each office, including the main office, to carry out the approval and review procedures.

(d) This Rule shall not apply to an order by a customer for the purchase or sale of a definite amount of a specified security which order gives the Member discretion only over the time and price of execution.

Rule 3.17. Customer's Securities or Funds

No Member shall make improper use of a customer's securities or funds.

Rule 3.18. Prohibition Against Guarantees

No Member shall guarantee, directly or indirectly, a customer against loss in any securities account of such customer carried by the Member or in any securities transaction effected by the Member with or for such customer.

Rule 3.19. Sharing in Accounts; Extent Permissible

No Member shall share, directly or indirectly, in the profits or losses in any account of a customer carried by the Member or any other Member, unless authorized by the customer or Member carrying the account; and a Member shall share in the profits or losses in any account of such customer only in direct proportion to the financial contributions made to such account by the Member. Accounts of the immediate family of any person employed by or under the control of a Member shall be exempt from this direct proportionate share limitation. For purposes of this Rule, the term "immediate family" shall include parents, mother-in-law, father-in-law, husband or wife, children or any other relative to whose support the person employed by or under the control of a Member contributes directly or indirectly.

Rule 3.20. Installment or Partial Payment Sales

(a) No Member shall take or carry any account or make a transaction for any customer under any arrangement which contemplates or provides for the purchase of any security for the account of the customer, or for the sale of any security to the customer, where payment for the security is to be made to the Member by the customer over a period of time in installments or by a series or partial payments, unless:

(1) in the event such Member acts as an agent or broker in such transaction, the Member promptly shall make an actual purchase of the security for the account of the customer, take possession or control of such security and maintain possession or control thereof so long as the Member remains under an obligation to deliver the security to the customer;

(2) in the event such Member acts as a Principal in such transaction, the Member shall own, at the time of such transaction, such security and shall maintain possession or control thereof so long as he remains under an obligation to deliver the security to the customer; and

(3) if applicable to such Member, the provisions of Regulation T of the Federal Reserve Board shall be satisfied.

(b) No Member, whether acting as Principal or agent, shall make, in connection with any transaction referred to in this Rule, any agreement with his customer under which such Member shall be allowed to pledge or hypothecate any security involved in such transaction in contravention of Commission Rules 8c-1 and 15c3-3.

Rule 3.21. Customer Disclosures

No Member may accept an order from a customer for execution in the Pre-Opening or Post-Closing Trading Session without disclosing to such customer that extended hours trading involves material trading risks, including the possibility of lower liquidity, high volatility, changing prices, unlinked markets, an exaggerated effect from news announcements, wider spreads and any other relevant risk. The absence of an updated underlying index value or intraday indicative value is an additional trading risk in extended hours for UTP Derivative Securities (as defined in Rule 14.1(c)). The disclosures required pursuant to this Rule may take the following form or such other form as provides substantially similar information:

(a) *Risk of Lower Liquidity.* Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater the liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may only be partially executed, or not at all.

(b) *Risk of Higher Volatility.* Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in

regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

(c) *Risk of Changing Prices.* The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening of the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

(d) *Risk of Unlinked Markets.* Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours system may not reflect the prices in other concurrently operating extended hours trading systems dealing in the same securities. Accordingly, you may receive an inferior price in one extended hours trading system than you would in another extended hours trading system.

(e) *Risk of News Announcements.* Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of a security.

(f) *Risk of Wider Spreads.* The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

(g) *Risk of Lack of Calculation or Dissemination of Underlying Index Value or Intraday Indicative Value ("IIV").* For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in extended trading hours. Since the underlying index value and IIV are not calculated or widely disseminated during extended hours trading sessions, an investor who is unable to calculate implied values for certain derivative securities products in those sessions may be at a disadvantage to market professionals.

CHAPTER IV. BOOKS AND RECORDS

Rule 4.1. Requirements

Each Member shall make and keep books, accounts, records, memoranda and correspondence in conformity with Section 17 of the Act and the rules thereunder, with all other applicable laws and the rules, regulations and statements of policy promulgated thereunder, and with Exchange Rules.

Rule 4.2. Furnishing of Records

Every Member shall furnish to the Exchange, upon request and in a time and manner required by the Exchange, current copies of any financial information filed with the Commission, as well as any records, files, or financial information pertaining to transactions executed on or through the Exchange. Further, the Exchange shall be allowed access, at any time, to the books and records of the Member in order to obtain or verify information related to transactions executed on or through the Exchange or activities relating to the Exchange.

Interpretations and Policies

.01 Consistent with the responsibility of the Exchange and the Commission to provide for timely regulatory investigations, the Exchange has adopted the following general time parameters within which Members are required to respond to Exchange requests for trading data:

1st Request	10 business days
2nd Request	5 business days
3rd Request.....	5 business days

The third request letter will be sent to the Member’s compliance officer and/or senior officer. Notwithstanding the parameters listed above, the Exchange reserves the right, in its sole discretion, to require information to be provided more quickly than described above.

.02 Regulatory Data Submission Requirement. Members shall submit to the Exchange such Exchange-related order, market and transaction data as the Exchange by Regulatory Circular may specify, in such form and on such schedule as the Exchange may require.

Rule 4.3. Record of Written Complaints

(a) Each Member shall keep and preserve for a period of not less than five years a file of all written complaints of customers and action taken by the Member in respect thereof, if any. Further, for the first two years of the five-year period, the Member shall keep such file in a place readily accessible to examination or spot checks.

(b) A “complaint” shall mean any written statement of a customer or any person acting on behalf of a customer alleging a grievance involving the activities of a Member or persons under the control of the Member in connection with (1) the solicitation or execution of any transaction conducted or contemplated to be conducted through the facilities of the Exchange or (2) the

disposition of securities or funds of that customer which activities are related to such a transaction.

Rule 4.4. Disclosure of Financial Condition

(a) A Member shall make available for inspection by a customer, upon request, the information relative to such Member's financial condition disclosed in its most recent balance sheet prepared either in accordance with such Member's usual practice or as required by any State or Federal securities laws, or any rule or regulation thereunder. Further, a Member shall send to its customers the statements required by Commission Rule 17a-5(c).

(b) As used in paragraph (a) of this Rule, the term "customer" has the same meaning as set forth in Commission Rule 17a-5(c)(4).

CHAPTER V. SUPERVISION

Rule 5.1. Written Procedures

Each Member shall establish, maintain and enforce written procedures which will enable it to supervise properly the activities of associated persons of the Member and to assure their compliance with applicable securities laws, rules, regulations and statements of policy promulgated thereunder, with the rules of the designated self-regulatory organization, where appropriate, and with Exchange Rules.

Rule 5.2. Responsibility of Members

Final responsibility for proper supervision shall rest with the Member. The Member shall designate a partner, officer or manager in each office of supervisory jurisdiction, including the main office, to carry out the written supervisory procedures. A copy of such procedures shall be kept in each such office.

Rule 5.3. Records

Each Member shall be responsible for making and keeping appropriate records for carrying out the Member's supervisory procedures.

Rule 5.4. Review of Activities

Each Member shall review the activities of each office, which shall include the periodic examination of customer accounts to detect and prevent irregularities or abuses.

Rule 5.5. Prevention of the Misuse of Material, Nonpublic Information

(a) Each Member must establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such Member's business, to prevent the misuse of material, non-public information by the Member or persons associated with the Member. Members for whom the Exchange is the Designated Examining Authority ("DEA") that are required to file SEC Form X-17A-5 with the Exchange on an annual or more frequent basis must file, contemporaneously with the submission of the calendar year end Insider Trading and Securities Fraud Enforcement Act certifications, compliance acknowledgements stating that the procedures mandated by this Rule have been established, enforced and maintained. Any Member, or associated person who becomes aware of a possible misuse of material, non-public information must promptly notify the Exchange's Surveillance Department. For purposes of this Rule, "associated person" and "person associated with a Member" means anyone who directly is engaged in the Member's trading-related activities, including general partners, officers, directors, managers (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with a Member or any employee of the Member. For the purposes of this Rule, the term "employee" includes every person who is compensated directly or indirectly by the Member for the solicitation or handling of business in securities, including individuals trading securities for the account of the Member, whether such securities are dealt in on an exchange or are dealt over-the-counter.

(b) For purposes of this Rule 5.5, conduct constituting the misuse of material, non-public information includes, but is not limited to, the following:

(1) Trading in any securities issued by a corporation, or in any related securities or related options or other derivative securities, while in possession of material, non-public information concerning that issuer; or

(2) Trading in a security or related options or other derivative securities, while in possession of material non-public information concerning imminent transactions in the security or related securities; or

(3) Disclosing to another person or entity any material, non-public information involving a corporation whose shares are publicly traded or an imminent transaction in an underlying security or related securities for the purpose of facilitating the possible misuse of such material, non-public information.

(c) This Rule 5.5 requires that, at a minimum, each Member establish, maintain, and enforce the following policies and procedures:

(1) All associated persons must be advised in writing of the prohibition against the misuse of material, non-public information;

(2) All associated persons must sign attestations affirming their awareness of, and agreement to abide by the aforementioned prohibitions. These signed attestations must be maintained for at least three years, the first two years in an easily accessible place;

(3) Each Member must receive and retain copies of trade confirmations and monthly account statements for each brokerage account in which an associated person has a direct or indirect financial interest or makes investment decisions. The activity in such accounts should be reviewed at least quarterly by the Member for the purpose of detecting the possible misuse of material, non-public information; and

(4) All associated persons must disclose to the Member whether they, or any person in whose account they have a direct or indirect financial interest, or make investment decisions, are an officer, director or 10% shareholder in a company whose shares are publicly traded. Any transaction in the stock (or option thereon) of such company shall be reviewed to determine whether the transaction may have involved a misuse of material non-public information.

Maintenance of the foregoing policies and procedures will not, in all cases, satisfy the requirements and intent of this Rule 5.5; the adequacy of each Member's policies and procedures will depend upon the nature of such Member's business.

Rule 5.6. Anti-Money Laundering Compliance Program

(a) Each Member shall develop and implement an anti-money laundering program reasonably designed to achieve and monitor compliance with the requirements of the Bank Secrecy Act (31

U.S.C. 5311, et seq.), and the implementing regulations promulgated thereunder by the Department of the Treasury. Each Member's anti-money laundering program must be approved, in writing, by a member of its senior management.

(b) The anti-money laundering programs required by the Rule shall, at a minimum:

(1) establish and implement policies and procedures that can be reasonably expected to detect and cause the reporting of transactions required under 31 U.S.C. 5318(g) and the implementing regulations thereunder;

(2) establish and implement policies and internal controls reasonably designed to achieve compliance with the Bank Secrecy Act and the implementing regulations thereunder;

(3) provide for independent testing for compliance to be conducted by the Member's personnel or by a qualified outside party;

(4) designate, and identify to the Exchange (by name, title, mailing address, e-mail address, telephone number, and facsimile number), a person or persons responsible for implementing and monitoring the day-to-day operations and internal controls of the program and provide prompt notification to the Exchange regarding any change in such designation(s); and

(5) provide ongoing training for appropriate persons.

In the event that any of the provisions of this Rule 5.6 conflict with any of the provisions of another applicable self-regulatory organization's rule requiring the development and implementation of an anti-money laundering compliance program, the provisions of the rule of the Member's Designated Examining Authority shall apply.

CHAPTER VI. EXTENSIONS OF CREDIT

Rule 6.1. Prohibitions and Exemptions

- (a) A Member shall not effect a securities transaction through Exchange facilities in a manner contrary to the regulations of the Board of Governors of the Federal Reserve System.
- (b) The margin which must be maintained in margin accounts of customers shall be as follows:
 - (1) 25% of the current market value of all securities "long" in the account; plus
 - (2) \$2.50 per share or 100% of the current market value, whichever amount is greater, of each stock "short" in the account selling at less than \$5.00 per share; plus
 - (3) \$5.00 per share or 30% of the current market value, whichever amount is greater, of each stock "short" in the account selling at \$5.00 per share or above; plus
 - (4) 5% of the principal amount or 30% of the current market value, whichever amount is greater, of each bond "short" in the account.

Rule 6.2. Day Trading Margin

- (a) The term "day trading" means the purchasing and selling of the same security on the same day. A "day trader" is any customer whose trading shows a pattern of day trading.
- (b) Whenever day trading occurs in a customer's margin account the margin to be maintained shall be the margin on the "long" or "short" transaction, whichever occurred first, as required pursuant to Exchange Rule 6.1(b). When day trading occurs in the account of a day trader, the margin to be maintained shall be the margin on the "long" or "short" transaction, whichever occurred first, as required for initial margin by Regulation T of the Board of Governors of the Federal Reserve System, or as required pursuant to Exchange Rule 6.1(b), whichever amount is greater.
- (c) No Member shall permit a public customer to make a practice, directly or indirectly, of effecting transactions in a cash account where the cost of securities purchased is met by the sale of the same securities. No Member shall permit a public customer to make a practice of selling securities with them in a cash account which are to be received against payment from another registered broker or dealer where such securities were purchased and are not yet paid for.

CHAPTER VII. SUSPENSION BY CHIEF REGULATORY OFFICER

Rule 7.1. Imposition of Suspension

(a) A Member which fails or is unable to perform any of its contracts, or is insolvent or is unable to meet the financial responsibility requirements of the Exchange, shall immediately inform the Secretary in writing of such fact. Upon receipt of said notice, or whenever it shall appear to the Chief Regulatory Officer ("CRO") (after such verification and with such opportunity for comment by the Member as the circumstances reasonably permit) that a Member has failed to perform its contracts or is insolvent or is in such financial or operational condition or is otherwise conducting its business in such financial or operational condition or is otherwise conducting its business in such a manner that it cannot be permitted to continue in business with safety to its customers, creditors and other Members of the Exchange, the CRO may summarily suspend the Member or may impose such conditions and restrictions upon the Member as are reasonably necessary for the protection of investors, the Exchange, the creditors and the customers of such Member.

(b) A Member that does not pay any dues, fees, assessments, charges or other amounts due to the Exchange within 90 days after the same has become payable shall be reported to the CRO, who may, after giving reasonable notice to the Member of such arrearages, suspend the Member until payment is made. Should payment not be made within six months after payment is due, the Member's membership may be cancelled by the Exchange.

(c) In the event of suspension of a Member, the Exchange shall give prompt notice of such suspension to the Members of the Exchange. Unless the CRO shall determine that lifting the suspension without further proceedings is appropriate, such suspension shall continue until the Member is reinstated as provided in Rule 7.3. of this Chapter.

Rule 7.2. Investigation Following Suspension

Every Member suspended under the provisions of this Chapter shall immediately make available every facility requested by the Exchange for the investigation of its affairs and shall forthwith file with the Secretary a written statement covering all information requested, including a complete list of creditors and the amount owing to each and a complete list of each open long and short security position maintained by the Member and each of its customers. The foregoing includes, without limitation, the furnishing of such of the Member's books and records and the giving of such sworn testimony as may be requested by the Exchange.

Rule 7.3. Reinstatement

A Member suspended under the provisions of this Chapter may apply for reinstatement by a petition in accordance with and in the time provided for by the provisions of the Exchange Rules relating to adverse action.

Rule 7.4. Failure to be Reinstated

A Member suspended under the provisions of this Chapter who fails to seek or obtain reinstatement in accordance with Rule 7.3 shall have its membership cancelled by the Exchange in accordance with the Exchange's By-Laws.

Rule 7.5. Termination of Rights by Suspension

A Member suspended under the provisions of this Chapter shall be deprived during the term of its suspension of all rights and privileges conferred to it by virtue of its membership in the Exchange.

Rule 7.6. Summary Suspension of Exchange Services

The CRO (after such verification with such opportunity for comment as the circumstances reasonably permit) may summarily limit or prohibit (i) any person from access to services offered by the Exchange, if such person has been and is expelled or suspended from any self-regulatory organization or barred or suspended from being associated with a Member of any self-regulatory organization or is in such financial or operating difficulty that the Exchange determines that such person cannot be permitted to do business with safety to investors, creditors, Exchange Members or the Exchange; or (ii) a person who is not a Member from access to services offered by the Exchange, if such person does not meet the qualification requirements or other pre-requisites for such access and if such person cannot be permitted to continue to have access with safety to investors, creditors, Members and the Exchange. Any person aggrieved by any such summary action may seek review under the provisions of the Exchange Rules relating to adverse action.

Rule 7.7. Commission Action

The Commission may stay any summary action taken pursuant to this Chapter on its own motion or upon application by any person aggrieved thereby made pursuant to Section 19(d) of the Act and the rules thereunder.

CHAPTER VIII. DISCIPLINE

Rule 8.1. Disciplinary Jurisdiction

(a) A Member or a person associated with a Member (the "Respondent") who is alleged to have violated or aided and abetted a violation of any provision of the Act or the rules and regulations promulgated thereunder, or any provision of the Certificate of Incorporation, By-Laws or Rules of the Exchange or any interpretation thereof or any resolution or order of the Board or appropriate Exchange committee shall be subject to the disciplinary jurisdiction of the Exchange under this Chapter, and after notice and opportunity for a hearing may be appropriately disciplined by: expulsion; suspension; limitation of activities, functions and operation; fine; censure; suspension or bar from association with a Member or any other fitting sanction, in accordance with the provisions of this Chapter.

An individual Member, responsible party, or other person associated with a Member may be charged with any violation committed by employees under his/her/its supervision or by the Member with which he/she/it is associated, as though such violation were his/her/its own. A Member organization may be charged with any violation committed by its employees or by any other person who is associated with such Member organization, as though such violation were its own.

(b) Any Member or person associated with a Member shall continue to be subject to the disciplinary jurisdiction of the Exchange following the termination of such person's membership or association with a Member with respect to matters that occurred prior to such termination; provided that written notice of the commencement of an inquiry into such matters is given by the Exchange to such former Member or former associated person within one year of receipt by the Exchange of the latest written notice of the termination of such person's status as a Member or person associated with a Member. The foregoing notice requirement does not apply to a person who at any time after a termination again subjects himself or herself to the disciplinary jurisdiction of the Exchange by becoming a Member or a person associated with a Member.

(c) A summary suspension or other action taken pursuant to Chapter VII of the Rules of the Exchange shall not be deemed to be disciplinary action under this Chapter, and the provisions of this chapter shall not be applicable to such action.

(d) The Exchange may contract with another self-regulatory organization to perform some or all of the Exchange's disciplinary functions. In that event, the Exchange shall specify to what extent the Rules in this Chapter VIII shall govern Exchange disciplinary actions and to what extent the rules of the other self-regulatory organization shall govern such actions. Notwithstanding the fact that the Exchange may contract with another self-regulatory organization to perform some or all of the Exchange's disciplinary functions, the Exchange shall retain ultimate legal responsibility for and control of such functions.

Rule 8.2. Complaint and Investigation

(a) Initiation of Investigation

The Exchange, or the designated self-regulatory organization, when appropriate, shall investigate possible violations within the disciplinary jurisdiction of the Exchange which are brought to its attention in any manner, or upon order of the Board, the CRO or other Exchange officials designated by the CRO, or upon receipt of a complaint alleging such violation.

(b) Report

In every instance where an investigation has been instituted as a result of a complaint, and in every other instance in which an investigation results in a finding that there are reasonable grounds to believe that a violation has been committed, a written report of the investigation shall be submitted to the CRO by the Exchange's staff or, when appropriate, by the designated self-regulatory organization.

(c) Requirement to Furnish Information and Right to Counsel

Each Member and person associated with a Member shall be obligated upon request by the Exchange to appear and testify, and to respond in writing to interrogatories and furnish documentary materials and other information requested by the Exchange in connection with (i) an investigation initiated pursuant to paragraph (a) of this Rule or (ii) a hearing or appeal conducted pursuant to this Chapter or preparation by the Exchange in anticipation of such a hearing or appeal. No Member or person associated with a Member shall impede or delay an Exchange investigation or proceeding conducted pursuant to this Chapter nor refuse to comply with a request made by the Exchange pursuant to this paragraph. A Member or person associated with a Member is entitled to be represented by counsel during any such Exchange investigation, proceeding or inquiry.

(d) Notice, Statement and Access

Prior to submitting its report, the staff shall notify the person(s) who is the subject of the report (hereinafter "Subject") of the general nature of the allegations and of the specific provisions of the Act, rules and regulations promulgated thereunder, or provisions of the Certificate of Incorporation, By-Laws or Rules of the Exchange or any interpretation thereof or any resolution of the Board, that appear to have been violated. Except when the CRO determines that expeditious action is required, a Subject shall have 15 days from the date of the notification described above to submit a written statement to the CRO concerning why no disciplinary action should be taken. To assist a Subject in preparing such a written statement, he or she shall have access to any documents and other materials in the investigative file of the Exchange that were furnished by him or her or his or her agents.

(e) Failure to Furnish Information

Failure to furnish testimony, documentary evidence or other information requested by the Exchange in the course of an Exchange inquiry, investigation, hearing or appeal conducted pursuant to this Chapter or in the course of preparation by the Exchange in anticipation of such a

hearing or appeal on the date or within the time period the Exchange specifies shall be deemed to be a violation of this Rule 8.2.

(f) Regulatory Cooperation

No Member or person associated with a Member or other person or entity subject to the jurisdiction of the Exchange shall refuse to appear and testify before another exchange or other self-regulatory organization in connection with a regulatory investigation, examination or disciplinary proceeding or refuse to furnish testimony, documentary materials or other information or otherwise impede or delay such investigation, examination or disciplinary proceeding if the Exchange requests such testimony, documentary materials or other information in connection with an inquiry resulting from an agreement entered into by the Exchange pursuant to subsection (g) of this Rule. The requirements of this Rule 8.2(f) shall apply when the Exchange has been notified by another self-regulatory organization of the request for testimony, documentary materials or other information and the Exchange then requests in writing that a Member, person associated with a Member or other person or entity provide such testimony, documentary materials or other information. Any person or entity required to furnish testimony, documentary materials or other information pursuant to this Rule 8.2(f) shall be afforded the same rights and procedural protections as that person or entity would have if the Exchange had initiated the request.

(g) Cooperative Agreements

The Exchange may enter into agreements with domestic and foreign self-regulatory organizations providing for the exchange of information and other forms of mutual assistance or for market surveillance, investigative, enforcement or other regulatory purposes.

(h) Videotaped Responses

In lieu of, or in addition to, submitting a written statement concerning why no disciplinary action should be taken as permitted by paragraph (d) of this Rule, the Subject may submit a statement in the form of a videotaped response. Except when the CRO determines that expeditious action is required, the Subject shall have 15 days from the date of the notification described in paragraph (d) to submit the videotaped response. The Exchange will establish standards concerning the length and format of such videotaped responses.

Rule 8.3. Expedited Proceeding

Upon receipt of the notification required by Rule 8.2(d), a Subject may seek to dispose of the matter through a letter of consent signed by the Subject. If a Subject desires to attempt to dispose of the matter through a letter of consent, the Subject must submit to the staff within 15 days from the date of the notification required by Rule 8.2(d) a written notice electing to proceed in an expedited manner pursuant to this Rule 8.3. The Subject must then endeavor to reach agreement with the Exchange's staff upon a letter of consent which is acceptable to the staff and which sets forth a stipulation of facts and findings concerning the Subject's conduct, the violation(s) committed by the Subject and the sanction(s) therefor. The matter can only be disposed of through a letter of consent if the staff and the Subject are able to agree upon terms of a letter of consent which are acceptable to the staff and the letter is signed by the Subject. At any point in

the negotiations regarding a letter of consent, either the staff may deliver to the Subject or the Subject may deliver to the staff a written declaration of an end to the negotiations. On delivery of such a declaration the subject will then have 15 days to submit a written statement pursuant to Rule 8.2(d) and thereafter the staff may bring the matter to the CRO. If the letter of consent is accepted by the CRO, the Exchange may adopt the letter as its decision and shall take no further action against the Subject respecting the matters that are the subject of the letter. If the letter of consent is rejected by the CRO, the matter shall proceed as though the letter had not been submitted. Upon rejection, the Subject will then have 15 days to submit a written statement pursuant to Rule 8.2(d). The CRO's decision to accept or reject a letter of consent shall be final, and a Subject may not seek review thereof.

Rule 8.4. Charges

(a) Determination Not to Initiate Charges

Whenever it shall appear to the CRO from the investigation report that no probable cause exists for finding a violation within the disciplinary jurisdiction of the Exchange, or whenever the CRO otherwise determines that no further proceedings are warranted, he or she shall issue a written statement to that effect setting forth the reasons for such finding.

(b) Initiation of Charges

Whenever it shall appear to the CRO that there is probable cause for finding a violation within the disciplinary jurisdiction of the Exchange and that further proceedings are warranted, the CRO shall direct the issuance of a statement of charges against the Respondent specifying the acts in which the Respondent is charged to have engaged and setting forth the specific provisions of the Act, rules and regulations promulgated thereunder, By-Laws, Exchange Rules, interpretations or resolutions of which such acts are in violation. A copy of the charges shall be served upon the Respondent in accordance with Rule 8.12.

Rule 8.5. Answer

The Respondent shall have 15 business days after service of the charges to file a written answer thereto. The answer shall specifically admit or deny each allegation contained in the charges, and the Respondent shall be deemed to have admitted any allegation not specifically denied. The answer may also contain any defense which the Respondent wishes to submit and may be accompanied by documents in support of his answer or defense. In the event the Respondent fails to file an answer within the time provided, the charges shall be considered to be admitted.

Rule 8.6. Hearings

(a) Selection of Hearing Panel

Subject to Rule 8.7. concerning summary proceedings, a hearing on the charges shall be held before a panel of three (3) hearing officers (the "Hearing Panel") appointed by the Chief Executive Officer. Each Hearing Panel shall be comprised as follows: (i) a professional hearing officer, who shall serve as Chairman of the Hearing Panel, (ii) a hearing officer who is an Industry Member, and (iii) a hearing officer who is a Member Representative member, as such

term is defined in the By-Laws (each a "Hearing Officer"). Prospective Hearing Officers shall be required to disclose to the Exchange their employment history for the past 10 years, any past or current material business or other financial relationships with the Exchange or any members of the Exchange, and any other information deemed relevant by the Exchange. Such disclosures relating to the particular Hearing Officers selected by the Chief Executive Officer shall be provided to the Respondent upon request after the selection of the Hearing Panel. In selecting Hearing Officers for a particular matter, the Chief Executive Officer should give reasonable consideration to the prospective Hearing Officers' professional competence and reputation, experience in the securities industry, familiarity with the subject matter involved, the absence of bias and any actual or perceived conflict of interest, and any other relevant factors.

(b) Impartiality of Hearing Officers

When any Hearing Officer considers a disciplinary matter he or she is expected to function impartially and independently of the staff members who prepared and prosecuted the charges. Exchange counsel may assist the Hearing Panel in preparing its written recommendations or judgments. Within 15 days of the appointment of the Hearing Panel, the Respondent may move for disqualification of any Hearing Officer sitting on such Panel based upon bias or conflict of interest. Such motions shall be made in writing and state with specificity the facts and circumstances giving rise to the alleged bias or conflict of interest. The motion papers shall be filed with the Hearing Panel and the Secretary of the Exchange. The Exchange may file a brief in opposition to the Respondent's motion within 15 days of service thereof. The Hearing Panel shall rule upon such motion no later than 30 days from filing by the Respondent. Prior adverse rulings against the Respondent or Respondent's attorney in other matters shall not, in and of themselves, constitute grounds for disqualification. If the Hearing Panel believes the Respondent has provided satisfactory evidence in support of the motion to disqualify, the applicable Hearing Officer shall remove himself or herself and request the Chief Executive Officer to reassign the hearing to another Hearing Officer such that the Hearing Panel still meets the compositional requirements described in Rule 8.6(a). If the Hearing Panel determines that the Respondent's grounds for disqualification are insufficient, it shall deny the Respondent's motion for disqualification by setting forth the reasons for the denial in writing and the Hearing Panel will precede with the hearing. The ruling by the Hearing Panel on such motions shall not be subject to interlocutory review.

(c) Notice and List of Documents

Participants shall be given at least 15 business days' notice of the time and place of the hearing and a statement of the matters to be considered therein. All documentary evidence intended to be presented in the hearing by the Respondent, the Exchange, or the designated self-regulatory authority must be received by the Hearing Panel at least eight (8) days in advance of the hearing or it may not be presented in the hearing. The parties shall furnish each other with a list of all documents submitted for the record not less than four (4) business days in advance of the hearing, and the documents themselves shall be made available to the parties for inspection and copying.

(d) Conduct of Hearing

The Hearing Panel shall determine all questions concerning the admissibility of evidence and shall otherwise regulate the conduct of the hearing. Formal rules of evidence shall not apply. The charges shall be presented by a representative of the Exchange or the designated self-regulatory authority who, along with the Respondent, may present evidence and produce witnesses who shall testify under oath and are subject to being questioned by the Hearing Panel and opposing parties. The Respondent is entitled to be represented by counsel who may participate fully in the hearing. A transcript of the hearing shall be made and shall become part of the record.

Rule 8.7. Summary Proceedings

Notwithstanding the provisions of Rule 8.6 of this Chapter, the CRO may make a determination without a hearing and may impose a penalty as to violations which the Respondent has admitted or charges which the Respondent has failed to answer or which otherwise are not in dispute. Notice of such summary determination, specifying the violations and penalty, shall be served upon the Respondent, who shall have ten (10) business days from the date of service to notify the CRO that he desires a hearing upon all or a portion of any charges not previously admitted or upon the penalty. Failure to so notify the CRO shall constitute an admission of the violations and acceptance of the penalty as determined by the CRO and a waiver of all rights of review. If the Respondent requests a hearing, the matters which are the subject of the hearing shall be handled in accordance with the hearing and review procedures of this Chapter.

Rule 8.8. Offers of Settlement

(a) Submission of Offer

At any time during the course of any proceeding under this Chapter, the Respondent may submit to the CRO a written offer of settlement which shall contain a proposed stipulation of facts and shall consent to a specified penalty. Where the CRO accepts an offer of settlement, he or she shall issue a decision, including findings and conclusions and imposing a penalty, consistent with the terms of such offer. Where the CRO rejects an offer of settlement, he or she shall notify the Respondent and the matter shall proceed as if such offer had not been made, and the offer and all documents relating thereto shall not become part of the record. A decision of the CRO issued upon acceptance of an offer of settlement as well as the determination of the CRO whether to accept or reject such an offer shall become final 20 business days after such decision is issued, and the Respondent may not seek review thereof.

(b) Submission of Statement

A Respondent may submit with an offer of settlement a written statement in support of the offer. In addition, if the staff will not recommend acceptance of an offer of settlement before the CRO, a Respondent shall be notified and may appear before the CRO to make an oral statement in support of his/her offer. Finally, if the CRO rejects an offer that the staff supports, a Respondent may appear before the CRO to make an oral statement concerning why he/she believes the CRO should change his or her decision and accept Respondent's offer, and if Respondent makes such appearance, the staff may also appear before the CRO to make an oral statement in support of its

position. A Respondent must make a request for such an appearance within 5 days of being notified that the offer was rejected or that the staff will not recommend acceptance.

(c) Repeated Offers

Unless the CRO shall otherwise order, a Respondent shall be entitled to submit to the CRO a maximum of two written offers of settlement in connection with the statement of charges issued to that Respondent pursuant to Rule 8.4(b).

Rule 8.9. Decision

Following a hearing conducted pursuant to Rule 8.6 of this Chapter, the Hearing Panel shall prepare a decision in writing, based solely on the record, determining whether the Respondent has committed a violation and imposing the penalty, if any, therefor. The decision shall include a statement of findings and conclusions, with the reasons therefor, upon all material issues presented on the record. Where a penalty is imposed, the decision shall include a statement specifying the acts or practices in which the Respondent has been found to have engaged and setting forth the specific provisions of the Act, rules and regulations promulgated thereunder, By-Laws, Exchange Rules, interpretations or resolutions of which the acts are deemed to be in violation. The Respondent shall promptly be sent a copy of the decision.

Rule 8.10. Review

(a) Petition

The Respondent shall have ten (10) days after service of notice of a decision made pursuant to Rule 8.9 of this Chapter to petition for review thereof. Such petition shall be in writing and shall specify the findings and conclusions to which exceptions are taken together with reasons for such exceptions. Any objections to a decision not specified by written exception shall be considered to have been abandoned.

(b) Conduct of Review

The review shall be conducted by the Appeals Committee of the Board. Unless the Appeals Committee shall decide to open the record for introduction of evidence or to hear argument, such review shall be based solely upon the record and the written exceptions filed by the parties. The Appeals Committee's decision shall be in writing and shall be final.

(c) Review on Motion of Board

The Board may on its own initiative order review of a decision made pursuant to Rule 8.7, 8.8, or 8.9 of this Chapter within 20 business days after issuance of the decision. Such review shall be conducted in accordance with the procedure set forth in paragraph (b) of this Rule.

(d) Review of Decision Not to Initiate Charges

Upon application made by the Chief Executive Officer within 30 days of a decision made pursuant to Rule 8.4(a) of this Chapter, the Board may order review of such decision. Such

review shall be conducted in accordance with the procedures set forth in paragraph (b), as applicable.

Rule 8.11. Effective Date of Judgment

Penalties imposed under this Chapter shall not become effective until the review process is completed or the decision otherwise becomes final. Pending effectiveness of a decision imposing a penalty on the Respondent, the CRO, Hearing Panel or committee of the Board, as applicable, may impose such conditions and restrictions on the activities of the Respondent as he, she or it considers reasonably necessary for the protection of investors, creditors and the Exchange.

Interpretations and Policies

.01 Exchange staff shall make all necessary filings concerning formal and informal disciplinary actions required under the Act and the rules and regulations promulgated thereunder, and shall take all other actions necessary to comply with any other applicable law or regulation.

The staff shall not, as a matter of policy, issue any press release or other statement to the press concerning any formal or informal disciplinary matter; provided, however, that the CRO may recommend to the Executive Committee or Board of the Exchange that the staff issue a press release or other statement to the press. If the Executive Committee or Board determines that such a press release or other statement to the press is warranted, then the staff shall prepare and issue a press release or other statement to the press as the Executive Committee or Board shall direct. Except as provided in Rule 8.15(a), the staff shall cause details regarding all formal disciplinary actions where a final decision has been issued to be published on a website maintained by the Exchange.

Rule 8.12. Miscellaneous Provisions

(a) Service of Notice

Any charges, notices or other documents may be served upon the Respondent either personally or by leaving the same at his place of business or by deposit in the United States post office, postage prepaid, by registered or certified mail addressed to the Respondent at his last known place of business.

(b) Extension of Time Limits

Any time limits imposed under this Chapter for the submission of answers, petitions or other materials may be extended by permission of the authority at the Exchange to whom such materials are to be submitted.

(c) Reports and Inspection of Books for Purpose of Investigating Complaints

For the purpose of any investigation or determination as to the filing of a complaint, or any hearing of any complaint against any Member of the Exchange or any person associated with a Member, the Exchange's staff, CRO, Board or designated self-regulatory organization shall have the right (1) to require any Member of the Exchange to report orally or in writing with regard to

any matter involved in any such investigation or hearing, and (2) to investigate the books, records and accounts of any such Member with relation to any matter involved in any such investigation or hearing. No Member shall refuse to make any report as required in this Rule, or refuse to permit any inspection of books, records and accounts as may be validly called for under this Rule.

Rule 8.13. Costs of Proceedings

Any Member disciplined pursuant to this Chapter shall bear such part of the costs of the proceedings as the CRO or the Board deems fair and appropriate in the circumstances.

Rule 8.14. Agency Review

Actions taken by the Exchange under this Chapter shall be subject to the review and action of any appropriate regulatory agency under the Act.

Rule 8.15. Imposition of Fines for Minor Violation(s) of Rules

(a) In lieu of commencing a disciplinary proceeding as described in Rules 8.1 through 8.13, the Exchange may, subject to the requirements set forth in this Rule, impose a fine, not to exceed \$2,500, on any Member, associated person of a Member, or registered or non-registered employee of a Member, for any violation of a Rule of the Exchange, which violation the Exchange shall have determined is minor in nature. For purposes of imposing fines pursuant to Interpretation .02 of Rule 4.2, the Exchange may aggregate individual violations of particular rules and treat such violations as a single offense, provided that such aggregation is based upon a comprehensive automated surveillance program. In other instances, the Exchange may, if no exceptional circumstances are present, impose a fine based upon a determination that there exists a pattern or practice of violative conduct. The Exchange also may aggregate similar violations generally if the conduct was unintentional, there was no injury to public investors, or the violations resulted from a single systemic problem or cause that has been corrected. Any fine imposed pursuant to this Rule and not contested shall not be publicly reported, except as may be required by Rule 19d-1 under the Act or as may be required by any other regulatory authority.

(b) In any action taken by the Exchange pursuant to this Rule, the person against whom a fine is imposed shall be served (as provided in Rule 8.12) with a written statement, signed by an authorized officer of the Exchange, setting forth (i) the Rule or Rules alleged to have been violated; (ii) the act or omission constituting each such violation; (iii) the fine imposed for each such violation; and (iv) the date by which such determination becomes final and such fine becomes due and payable to the Exchange, or such determination must be contested as provided in paragraph (d) below, such date to be not less than 15 business days after the date of service of the written statement.

(c) If the person against whom a fine is imposed pursuant to this Rule pays the fine, such payment shall be deemed to be a waiver by such person of such person's right to a disciplinary proceeding under Rules 8.1 through 8.13 and any review of the matter by the Appeals Committee or by the Board.

(d) Any person against whom a fine is imposed pursuant to this Rule may contest the Exchange's determination by filing with the Exchange not later than the date by which such determination must be contested, a written response meeting the requirements of an Answer as provided in Rule 8.5 at which point the matter shall become a disciplinary proceeding subject to the provisions of Rules 8.1 through 8.13. In any such disciplinary proceeding, if the Hearing Panel determines that the person charged is guilty of the rule violation(s) charged, the Hearing Panel shall (i) be free to impose any one or more disciplinary sanctions and (ii) determine whether the rule violation(s) is minor in nature. The person charged and the Board of the Exchange may require a review by the Board of any determination by the Hearing Panel by proceeding in the manner described in Rule 8.10.

(e) The Exchange shall prepare and announce to its Members and Member organizations from time to time a listing of the Exchange Rules as to which the Exchange may impose fines as provided in this Rule. Such listing shall also indicate the specific dollar amount that may be imposed as a fine hereunder with respect to any violation of any such Rule or may indicate the minimum and maximum dollar amounts that may be imposed by the Exchange with respect to any such violation. Nothing in this rule shall require the Exchange to impose a fine pursuant to this rule with respect to the violation of any Rule included in any such listing.

Interpretations and Policies

.01 List of Exchange Rule Violations and Recommended Fine Schedule Pursuant to Rule 8.15:

Recommended Fine Schedule – 8.15.01(a)-(f)

<u>Occurrence*</u>	<u>Individual</u>	<u>Member firm</u>
First time fined	\$100	\$500
Second time fined	\$300	\$1,000
Third time fined	\$500	\$2,500

*Within a "rolling" 12-month period.

(a) Rule 4.2 and Interpretations, thereunder, requiring the submission of responses to Exchange requests for trading data within specified time period.

(b) Rule 11.15 requirement to identify short sale orders as such.

(c) Rule 11.16 requirement to comply with locked and crossed market rules.

(d) Rule 2.5. Interpretation .04: Firm Element of Continuing Education Requirement.

(e) Rule 3.5 Advertising Practices

(f) Rule 12.11 Interpretation .01 and Exchange Act Rule 604 – Failure to properly display limit orders

Recommended Fine Amount for 8.15.01(g): \$100 per violation

(g) Rule 4.2 and Interpretations thereunder related to the requirement to furnish Exchange-related order, market and transaction data, as well as financial or regulatory records and information.

Rule 8.16. Ex Parte Communications

(a) Unless on notice and opportunity for all parties to participate:

(1) No Respondent or Exchange staff member shall make or knowingly cause to be made an ex parte communication relevant to the merits of a proceeding to any Hearing Officer, any member of the Board of Directors or a member of a committee of the Board who is participating in a decision with respect to that proceeding (an “Adjudicator”); and

(2) No Adjudicator shall make or knowingly cause to be made to a Respondent or Exchange staff member an ex parte communication relevant to the merits of that proceeding.

(b) An Adjudicator who receives, makes, or knowingly causes to be made a communication prohibited by this Rule shall place in the record of the proceeding:

(1) all such written communications;

(2) memoranda stating the substance of all such oral communications; and

(3) all written responses and memoranda stating the substance of all oral responses to all such communications.

(c) If a prohibited ex parte communication has occurred, the Board of Directors or a committee thereof may take whatever action it deems appropriate in the interests of justice, the policies underlying the Act, and the Exchange By-Laws and Rules, including dismissal or denial of the offending party’s interest or claim. All participants to a proceeding may respond to any allegations or contentions contained in a prohibited ex parte communication placed in the record. Such responses shall be placed in the record.

(d) The prohibitions of this Rule shall apply beginning with the initiation of an investigation as provided in Rule 8.2(a), unless the person responsible for the communication has knowledge that the investigation shall be initiated, in which case the prohibitions shall apply beginning at the time of his or her acquisition of such knowledge.

CHAPTER IX. ARBITRATION

Rule 9.1. Code of Arbitration

The 12000 and 13000 Series of FINRA's NASD Manual, the FINRA Code of Arbitration Procedure for Customer and Industry Disputes, respectively ("FINRA Code of Arbitration"), as the same may be in effect from time to time, shall govern Exchange arbitrations except as may be specified in this Chapter IX. For purposes of Exchange arbitrations, defined terms used in this Chapter IX and not otherwise defined herein shall have the same meaning as those prescribed in the FINRA Code of Arbitration, and procedures contained in the FINRA Code of Arbitration shall have the same application as toward Exchange arbitrations.

Rule 9.2. Jurisdiction

This Chapter applies to the arbitration of any dispute, claim, or controversy arising out of or in connection with the Exchange business of a Member or associated person of a Member.

Rule 9.3. Predispute Arbitration Agreements

(a) Any predispute arbitration clause shall be highlighted and shall be immediately preceded by the following language in outline form.

This agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- (1) All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- (2) Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- (3) The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- (4) The arbitrators do not have to explain the reason(s) for their award.
- (5) The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- (6) The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- (7) The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

(b) In any agreement containing a predispute arbitration agreement, there shall be a highlighted statement immediately preceding any signature line or other place for indicating

agreement that states that the agreement contains a predispute arbitration clause. The statement shall also indicate at what page and paragraph the arbitration clause is located.

(c) Within thirty days of signing, a copy of the agreement containing any such clause shall be given to the customer who shall acknowledge receipt thereof on the agreement or on a separate document.

(d) A Member shall provide a customer with a copy of any predispute arbitration clause or customer agreement executed between the customer and the Member, or inform the customer that the Member does not have a copy thereof, within ten business days of receipt of the customer's request. If a customer requests such a copy before the Member has provided the customer with a copy pursuant to subparagraph (c) above, the Member must provide a copy to the customer by the earlier date required by this subparagraph (d) or by subparagraph (c).

(e) Upon request by a customer, a Member shall provide the customer with the names of, and information on how to contact or obtain the rules of, all arbitration forums in which a claim may be filed under the agreement.

(f) No predispute arbitration agreement shall include any condition that:

(1) limits or contradicts the rules of any self-regulatory organization;

(2) limits the ability of a party to file any claim in arbitration;

(3) limits the ability of a party to file any claim in court permitted to be filed in court under the rules of the forums in which a claim may be filed under the agreement; or

(4) limits the ability of arbitrators to make any award.

(g) If a customer files a complaint in court against a Member that contains claims that are subject to arbitration pursuant to a predispute arbitration agreement between the Member and the customer, the Member may seek to compel arbitration of the claims that are subject to arbitration. If the Member seeks to compel arbitration of such claims, the Member must agree to arbitrate all of the claims contained in the complaint if the customer so requests.

(h) All agreements shall include a statement that "No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein."

Rule 9.4. Referrals

If any matter comes to the attention of an arbitrator during and in connection with the arbitrator's participation in a proceeding, either from the record of the proceeding or from material or

communications related to the proceeding, that the arbitrator has reason to believe may constitute a violation of the Exchange's Rules or the federal securities laws, the arbitrator may initiate a referral of the matter to the Exchange for disciplinary investigation; provided, however, that any such referral should only be initiated by an arbitrator after the matter before him has been settled or otherwise disposed of, or after an award finally disposing of the matter has been rendered pursuant to Rule 12904 or 13904, as applicable, of the FINRA Code of Arbitration.

Rule 9.5. Payment of Awards

Any Member, or person associated with a Member, who fails to honor an award of arbitrators appointed in accordance with the Rules in this Chapter IX or fails to comply with a written and executed settlement agreement shall be subject to disciplinary proceedings in accordance with Chapter VIII (Discipline).

Rule 9.6. Non-Waiver of Exchange's Right

The submission of any matter to arbitration under this Chapter IX shall in no way limit or preclude any right, action or determination by the Exchange which it would otherwise be authorized to adopt, administer or enforce.

CHAPTER X. ADVERSE ACTION

Rule 10.1. Scope of Chapter

This Chapter provides the procedure for persons who are or are about to be aggrieved by adverse action, including, but not limited to, those persons who have been denied membership in the Exchange, barred from becoming associated with a Member, or prohibited or limited with respect to Exchange services pursuant to the By-Laws or the Rules of the Exchange (other than disciplinary action for which review is provided in Chapter VIII and other than an arbitration award, from which there is no Exchange review), to apply for an opportunity to be heard and to have the complained of action reviewed.

Rule 10.2. Submission and Time Limitation on Application to Exchange

A person who is or will be aggrieved by any action of the Exchange within the scope of this Chapter and who desires to have an opportunity to be heard with respect to such action shall file a written application with the Exchange within 15 business days after being notified of such action. The application shall state the action complained of and the specific reasons why the applicant takes exception to such action and the relief sought. In addition, if the applicant intends to submit any additional documents, statements, arguments or other material in support of the application, the same should be so stated and identified.

Rule 10.3. Procedure Following Applications for Hearing

(a) Appeals Committee

Applications for hearing and reviewing shall be referred promptly by the Exchange to the Appeals Committee. A record of the proceedings shall be kept.

(b) Documents

The Appeals Committee will set a hearing date and shall be furnished with all materials relevant to the proceedings at least 72 hours prior to the date of the hearing. Each party shall have the right to inspect and copy the other party's materials prior to the hearing. Hearings shall be held promptly, particularly in the case of a summary suspension pursuant to Chapter VII of these Rules.

Rule 10.4. Hearing and Decision

(a) Participants

The parties to the hearing shall consist of the applicant and a representative of the Exchange who shall present the reasons for the action taken by the Exchange which allegedly aggrieved the applicant.

(b) Counsel

The applicant is entitled to be accompanied, represented and advised by counsel at all stages of the proceedings.

(c) Conduct of Hearing

The Appeals Committee shall determine all questions concerning the admissibility of evidence and shall otherwise regulate the conduct of the hearing. Each of the parties shall be permitted to make an opening statement, present witnesses and documentary evidence, cross-examine opposing witnesses and present closing arguments orally or in writing as determined by the panel. The Appeals Committee also shall have the right to question all parties and witnesses to the proceeding and a record shall be kept. The formal rules of evidence shall not apply.

(d) Decision

The decision of the Appeals Committee shall be made in writing and shall be sent to the parties to the proceeding. Such decisions shall contain the reasons supporting the conclusions of the panel.

Rule 10.5. Review

(a) Petition

The decision of the Appeals Committee shall be subject to review by the Board either on its own motion within 20 business days after issuance of the decision or upon written request submitted by the applicant below, or by the CRO of the Exchange, within 15 business days after issuance of the decision. Such petition shall be in writing and shall specify the findings and conclusions to which exceptions are taken together with the reasons for such exceptions. Any objection to a decision not specified by written exception shall be considered to have been abandoned and may be disregarded. Parties may petition to submit a written argument to the Board and may request an opportunity to make an oral argument before the Board. The Board shall have sole discretion to grant or deny either request.

(b) Conduct of Review

The review shall be conducted by the Board. The review shall be made upon the record and shall be made after such further proceedings, if any, as the Board may order. Based upon such record, the Board may affirm, reverse or modify, in whole or in part, the decision below. The decision of the Board shall be in writing, shall be sent to the parties to the proceeding and shall be final.

Rule 10.6. Miscellaneous Provisions

(a) Service of Notice

Any notices or other documents may be served upon the applicant either personally or by leaving the same at his place of business or by deposit in the United States post office, postage prepaid,

by registered or certified mail, addressed to the applicant at his last known business or residence address.

(b) Extension of Time Limits

Any time limits imposed under this Chapter for the submission of answers, petitions or other materials may be extended by permission of the Exchange. All papers and documents relating to review by the Appeals Committee or the Board must be submitted to the Exchange.

Rule 10.7. Agency Review

Actions taken by the Exchange under this Chapter shall be subject to the review and action of any appropriate regulatory agency under the Act.

CHAPTER XI. TRADING RULES

Rule 11.1. Hours of Trading and Trading Days

- (a) Orders may be entered on the Exchange, executed on the Exchange or routed away from the Exchange during Regular Trading Hours, the Pre-Opening Session and the Post-Closing Session.
- (b) The Exchange will be open for the transaction of business on business days. The Exchange will not be open for business on the following holidays: New Years Day, Dr. Martin Luther King Jr. Day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas. When any holiday observed by the Exchange falls on a Saturday, the Exchange will not be open for business on the preceding Friday. When any holiday observed by the Exchange falls on a Sunday, the Exchange will not be open for business on the following Monday, unless otherwise indicated by the Exchange.
- (c) The Chief Executive Officer of the Exchange shall have the power to halt, suspend trading in any and all securities traded on the Exchange, to close some or all Exchange facilities, and to determine the duration of any such halt, suspension, or closing, when he deems such action necessary for the maintenance of fair and orderly markets, the protection of investors, or otherwise in the public interest including special circumstances such as (1) actual or threatened physical danger, severe climatic conditions, civil unrest, terrorism, acts of war, or loss or interruption of facilities utilized by the Exchange, (2) a request by a governmental agency or official, or (3) a period of mourning or recognition for a person or event. No such action shall continue longer than a period of two days, or as soon thereafter as a quorum of Directors can be assembled, unless the Board approves the continuation of such suspension.

Rule 11.2. Securities Eligible for Trading

The Exchange shall designate securities for trading. Any class of securities listed or admitted to unlisted trading privileges on the Exchange pursuant to Chapter XIV of these Rules shall be eligible to become designated for trading on the Exchange. All securities designated for trading are eligible for odd-lot, round-lot and mixed-lot executions, unless otherwise indicated by the Exchange or limited pursuant to these Rules.

Rule 11.3. Access

- (a) *General.* The System shall be available for entry and execution of orders by Users with authorized access. To obtain authorized access to the System, each User must enter into a User Agreement with the Exchange in such form as the Exchange may provide ("User Agreement").
- (b) *Sponsored Participants.* A Sponsored Participant may obtain authorized access to the System only if such access is authorized in advance by one or more Sponsoring Members as follows:
- (1) Sponsored Participants must enter into and maintain customer agreements with one or more Sponsoring Members establishing proper relationship(s) and account(s) through

which the Sponsored Participant may trade on the System. Such customer agreement(s) must incorporate the Sponsorship Provisions set forth in paragraph (2) below.

(2) For a Sponsored Participant to obtain and maintain authorized access to the System, a Sponsored Participant and its Sponsoring Member must agree in writing to the following Sponsorship Provisions:

(A) Sponsored Participant and its Sponsoring Member must have entered into and maintained a User Agreement with the Exchange.

(B) Sponsoring Member acknowledges and agrees that:

(i) All orders entered by the Sponsored Participants and any person acting on behalf of or in the name of such Sponsored Participant and any executions occurring as a result of such orders are binding in all respects on the Sponsoring Member, and

(ii) Sponsoring Member is responsible for any and all actions taken by such Sponsored Participant and any person acting on behalf of or in the name of such Sponsored Participant.

(C) Sponsoring Member shall comply with the Exchange's Certificate of Incorporation, By-Laws, Rules and procedures, and Sponsored Participant shall comply with the Exchange's Certificate of Incorporation, By-Laws, Rules and procedures, as if Sponsored Participant were a Member.

(D) Sponsored Participant shall maintain, keep current and provide to the Sponsoring Member, and to the Exchange upon request, a list of Authorized Traders who may obtain access to the System on behalf of the Sponsored Participant. Sponsored Participant shall be subject to the obligations of Rule 11.4 with respect to such Authorized Traders.

(E) Sponsored Participant shall familiarize its Authorized Traders with all of the Sponsored Participant's obligations under this Rule and will assure that they receive appropriate training prior to any use or access to the System.

(F) Sponsored Participant may not permit anyone other than Authorized Traders to use or obtain access to the System.

(G) Sponsored Participant shall take reasonable security precautions to prevent unauthorized use or access to the System, including unauthorized entry of information into the System, or the information and data made available therein. Sponsored Participant understands and agrees that Sponsored Participant is responsible for any and all orders, trades and other messages and instructions entered, transmitted or received under identifiers, passwords and security codes of Authorized Traders, and for the trading and other consequences thereof.

(H) Sponsored Participant acknowledges its responsibility to establish adequate procedures and controls that permit it to effectively monitor its employees', agents' and customers' use and access to the System for compliance with the terms of this agreement.

(I) Sponsored Participant shall pay when due all amounts, if any, payable to Sponsoring Member, the Exchange or any other third parties that arise from the Sponsored Participant's access to and use of the System. Such amounts include, but are not limited to applicable exchange and regulatory fees.

(3) The Sponsoring Member must provide the Exchange with a written statement in form and substance acceptable to the Exchange identifying each Sponsored Participant by name and acknowledging its responsibility for the orders, executions and actions of such Sponsored Participant.

Rule 11.4. Authorized Traders

(a) A Member shall maintain a list of ATs who may obtain access to the System on behalf of the Member or the Member's Sponsored Participants. The Member shall update the list of ATs as necessary. Members must provide the list of ATs to the Exchange upon request.

(b) A Member must have reasonable procedures to ensure that all ATs comply with all Exchange Rules and all other procedures related to the System.

(c) A Member must suspend or withdraw a person's status as an AT if the Exchange has determined that the person has caused the Member to fail to comply with the Rules of the Exchange and the Exchange has directed the Member to suspend or withdraw the person's status as an AT.

(d) A Member must have reasonable procedures to ensure that the ATs maintain the physical security of the equipment for accessing the facilities of the Exchange to prevent the improper use or access to the systems, including unauthorized entry of information into the systems.

(e) To be eligible for registration as an AT of a Member a person must successfully complete the General Securities Representative Examination (Series 7) and any other training and/or certification programs as may be required by the Exchange.

Rule 11.5. Orders and Modifiers

Users may enter into the System the types of orders listed in this Rule 11.5, subject to the limitations set forth in this Rule or elsewhere in these Rules.

(a) *General Order Types.*

(1) **Limit Order.** An order to buy or sell a stated amount of a security at a specified price or better. A "marketable" limit order is a limit order to buy (sell) at or above (below) the lowest (highest) Protected Offer (Bid) for the security.

(2) **Market Order.** An order to buy or sell a stated amount of a security that is to be executed at the NBBO when the order reaches the Exchange. Market orders shall not trade through Protected Quotations. A market order that is designated as "EDGX Only" will be cancelled if, when reaching the Exchange, it cannot be executed on the System in accordance with Rule 11.9(b)(1). Market orders that are not designated as "EDGX Only" and that cannot be executed in accordance with Rule 11.9(b)(1) on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 11.9(b)(2). Market orders are not eligible for execution during the Pre-Opening or the Post-Closing Trading Sessions.

(b) *Time-in-Force.* Limit orders must have one of the following time-in-force terms.

(1) **Immediate-or-Cancel ("IOC") Order.** A limit order that is to be executed in whole or in part as soon as such order is received, and the portion not so executed is to be treated as cancelled.

(2) **Day Order.** A limit order to buy or sell which, if not executed, expires at the end of Regular Trading Hours. Any Day Order entered into the System before the opening of Regular Trading Hours, as determined pursuant to Rule 11.1, will be placed in a pending state and activated for potential execution upon the opening of Regular Trading Hours. Any Day Order entered into the System after the closing of Regular Trading Hours will be rejected except to the extent marked as eligible to trade outside of Regular Trading Hours.

(3) **Fill-or-Kill Order.** A fill-or-kill order is a limit order that is to be executed in its entirety as soon as it is received and, if not so executed, cancelled.

(4) **Good 'til Cancel ("GTC") Order.** A limit order to buy or sell which, if not executed, will be cancelled by the close of the Post-Closing Session.

(5) **Good 'til Day ("GTD") Order.** A limit order to buy or sell which, if not executed, will be cancelled by the expiration time assigned to the order.

(c) *Other Types of Orders and Order Modifiers.* Unless an order's instructions require it to be displayed on the Exchange or routed to an away trading center(s), an order may include instructions to be non displayed. All order types and modifiers listed below, except for those set forth in Rules 11.5(c)(2), (9)-(11) may also include instructions to be non displayed.

(1) **Reserve Order.** A limit order with a portion of the quantity displayed ("display quantity") and with a reserve portion of the quantity ("reserve quantity") that is not displayed.

(2) **Odd Lot Order.** An order to buy or sell an odd lot. Odd Lot Orders are only eligible to be Protected Quotations if aggregated to form a round lot.

(3) **Mixed Lot Order.** An order to buy or sell a mixed lot. Odd lot portions of Mixed Lot Orders are only eligible to be Protected Quotations if aggregated to form a round lot.

(4) **EDGX Only Order.** An order that is to be ranked and executed on the Exchange pursuant to Rule 11.8 and Rule 11.9(b)(1) or cancelled, without routing away to another trading center. An EDGX Only Order that, at the time of entry, would cross a Protected Quotation will

be repriced to the locking price and ranked at such price in the EDGX Book. An EDGX Only Order that, if at the time of entry, would create a violation of Rule 610(d) of Regulation NMS by locking or crossing a Protected Quotation will be displayed by the System at one minimum price variation below the current NBO (for bids) or to one minimum price variation above the current NBB (for offers) (collectively, the “displayed price sliding process”). In the event the NBBO changes such that the EDGX Only Order at the original locking price would not lock or cross a Protected Quotation, the order will receive a new timestamp, and will be displayed at the original locking price. The System will default to the displayed price sliding process for an EDGX Only Order unless the User has entered instructions not to use the displayed price sliding process.

(5) *Post Only Order*. An order that is to be ranked and executed on the Exchange pursuant to Rule 11.8 and Rule 11.9(b)(1) or cancelled, as appropriate, without routing away to another trading center except that the order will not remove liquidity from the EDGX Book absent an order instruction to the contrary. A EDGX Post Only Order will be subject to the displayed price sliding process unless a User has entered instructions not to use the displayed price sliding process as set forth in paragraph (c)(4) above.

(6) *Pegged Order*. A limit order whose price is automatically adjusted by the System in response to changes in the NBBO. A User entering a Pegged Order can specify that order’s price will either be at or inferior to the NBBO by an amount set by the User. If a Pegged Order displayed on the Exchange would lock the market, the price of the order will be automatically adjusted by the System to one minimum price variation below the current NBO (for bids) or to one minimum price variation above the current NBB (for offers). A new timestamp is created for the order each time it is automatically adjusted. Pegged Orders are not eligible for routing pursuant to Rule 11.9(b)(2).

(7) *Mid-Point Match (“MPM”) Order*. An order with an instruction to execute it at the midpoint of the NBBO. An MPM order may be a Day Order, Fill-or-Kill Order, or IOC Order. A new timestamp is created for the order each time it is automatically adjusted. MPM orders are not eligible for routing pursuant to Rule 11.9(b)(2) and are not displayed on the Exchange.

(8) *Non-Displayed Order*. A market or limit order that is not displayed on the Exchange. A Non-Displayed Order is ranked based on the specified limit price and time of order entry in accordance with Rule 11.8(a)(2) and is available for potential execution against incoming marketable orders in accordance with Rule 11.9(b)(1)(A)-(B). The System shall not accept a Non-Displayed Order that is priced better than midpoint of the NBBO.

(9) *Destination Specific Order*. A market or limit order that instructs the System to route the order to a specified away trading center or centers, after exposing the order to the EDGX Book. Destination Specific Orders that are not executed in full after routing away are processed by the Exchange as described below in Rule 11.9(b)(1), save where the User has provided instructions that the order reside on the book of the relevant away trading center.

(10) *Destination-on-Open Order*. A market or limit order that instructs the System to route the order to a specified away trading center to participate in said trading center’s opening process, without being processed by the System as described below in Rule 11.9(b)(1), and

which after participating in such opening process will be returned to the EDGX Book for execution and/or display, to the extent unfilled.

(11) *Step-up Order.* A market or limit order with the instruction that the System display the order to Users at or within the NBBO price pursuant to Rule 11.9(b)(1)(C).

(12) *Stop Order.* A stop order is an order that becomes a market order when the stop price is elected. A stop order to buy is elected when the security trades at, or above, the specified stop price. A stop order to sell is elected when the security trades on the Exchange at, or below, the specified stop price.

(13) *Stop Limit Order.* A stop limit order is an order that becomes a limit order when the stop price is elected. A stop limit order to buy is elected when the security trades at, or above, the specified stop price. A stop limit order to sell becomes a sell limit order when the security trades at, or below, the specified stop price.

(14) *Discretionary Order.* Orders to buy or sell a stated amount of a security at a specified, undisplayed price (the "discretionary price"), as well as at a specified, displayed price ("displayed price").

(d) *Intermarket Sweep Orders.*

(1) The System will accept incoming Intermarket Sweep Orders ("ISO") (as such term is defined in Regulation NMS). In order to be eligible for treatment as an Intermarket Sweep Order, the limit order must be marked "ISO" and the User entering the order must simultaneously route one or more additional limit orders marked "ISO," as necessary, to away markets to execute against the full displayed size of any Protected Quotation for the security with a price that is superior to the limit price of the Intermarket Sweep Order entered in the System. Such orders, if they meet the requirements of the foregoing sentence, may be executed at one or multiple price levels in the System without regard to Protected Quotations at away markets consistent with Regulation NMS (*i.e.*, may trade through such quotations). The Exchange relies on the marking of an order as an ISO order when handling such order, and thus, it is the entering Member's responsibility, not the Exchange's responsibility, to comply with the requirements of Regulation NMS relating to Intermarket Sweep Orders. ISOs are not eligible for routing pursuant to Rule 11.9(b)(2).

(2) The term "Directed Intermarket Sweep Order" ("Directed ISO") shall mean, for any order so designated, an ISO entered by a User that bypasses the System and is immediately routed by the Exchange to an away trading center specified by the User for execution. It is the entering Member's responsibility, not the Exchange's responsibility, to comply with the requirements of Regulation NMS relating to Intermarket Sweep Orders.

(e) *Cancel/Replace Messages.* A User may, by appropriate entry in the System, cancel or replace an existing order entered by the User, subject to the following limitations.

(1) Orders may only be cancelled or replaced if the order has a time-in-force term other than IOC and if the order has not yet been executed.

(2) If an order has been routed to another trading center, the order will be placed in a "Pending" state until the routing process is completed. Executions that are completed when the order is in the "Pending" state will be processed normally.

(3) Only the price and quantity terms of the order may be changed by a Replace Message (including changing a limit order to a market order). If a User desires to change any other terms of an existing order the existing order must be cancelled and a new order must be entered.

(4) Notwithstanding anything to the contrary in these Exchange Rules, no cancellation or replacement of an order will be effective until such message has been received and processed by the System.

Rule 11.6. Units of Trading

One hundred (100) shares shall constitute a "round lot," any amount less than 100 shares shall constitute an "odd lot," and any amount greater than 100 shares that is not a multiple of a round lot shall constitute a "mixed lot".

Rule 11.7. Price Variations

(a) Bids, offers, orders or indications of interests in securities traded on the Exchange shall not be made in an increment smaller than:

(1) \$0.01 if those bids, offers or indications of interests are priced equal to or greater than \$1.00 per share; or

(2) \$0.0001 if those bids, offers or indications of interests are priced less than \$1.00 per share and the security is an NMS stock pursuant to Commission Rule 600(b)(46) and is trading on the Exchange; or

(3) Any other increment established by the Commission for any security which has been granted an exemption from the minimum price increments requirements of Commission Rule 612(a) or 612(b).

Rule 11.8. Priority of Orders

(a) *Ranking.* Orders of Users shall be ranked and maintained in the EDGX Book based on the following priority:

(1) The highest-priced order to buy (or lowest-priced order to sell) shall have priority over all other orders to buy (or orders to sell) in all cases.

(2) Subject to the Execution Process described below, where orders to buy (or sell) are made at the same price, the order clearly established as the first entered into the System at such particular price shall have precedence at that price, up to the number of shares of stock specified in the order. The System shall execute equally priced trading interest within the System in time priority in the following order:

- (A) Displayed size of limit orders;
 - (B) Mid-Point Match Orders;
 - (C) Non-displayed limit orders and the reserve quantity of Reserve Orders;
- and
- (D) Discretionary range of Discretionary Orders as set forth in Rule 11.5(c)(14).

(3) Market participants may direct that orders entered into the System not execute against orders entered under the same MPID. In such a case, the System will not permit such orders to execute against one another, regardless of priority ranking.

(4) In the event an order has been cancelled or replaced in accordance with Rule 11.5(e) above, such order only retains priority if such modification involves a decrease in the size of the order. Any other modification to an order, including an increase in the size of the order and/or price change, will result in such order losing priority as compared to other orders in the EDGX Book and the timestamp for such order being revised to reflect the time of the modification.

(5) In the event that less than the full size of an order is executed, the unexecuted size of the order shall retain priority at the same limit price in accordance with paragraphs (1) and (2) above.

(6) The displayed quantity of a Reserve Order shall have time priority as of the time of display. If the displayed quantity of the Reserve Order is decremented such that 99 shares or fewer would be displayed, the displayed portion of the Reserve Order shall be refreshed for (i) the original displayed quantity, or (ii) the entire reserve quantity, if the remaining reserve quantity is smaller than the original displayed quantity. A new timestamp is created both for the refreshed and reserved portion of the order each time it is refreshed from reserve.

(b) *Dissemination.* The best-ranked order(s) to buy and the best-ranked order(s) to sell that are displayable in the EDGX Book and the aggregate displayed size of such orders associated with such prices shall be collected and made available to quotation vendors for dissemination pursuant to the requirements of Rule 602 of Regulation NMS.

Rule 11.9. Order Execution

(a) Subject to the restrictions on short sales under these Exchange Rules or the Act and the rules and regulations thereunder, orders shall be matched for execution in accordance with this Rule 11.9. For any execution to occur during Regular Trading Hours, however, the price must be equal to or better than the Protected NBBO, unless the order is marked ISO or unless the execution falls within another exception set forth in Rule 611(b) of Regulation NMS. For any execution to occur during the Pre-Opening Session or the Post-Closing Session, the price must be equal to or better than the highest bid or lowest offer. For purposes of this Rule 11.9, any order falling within the parameters of this paragraph shall be referred to as "executable."

(b) *Execution and Routing.*

(1) *Execution against EDGX Book.* An incoming order shall first attempt to be matched for execution against orders in the EDGX Book.

(A) An incoming order to buy will be automatically executed to the extent that it is priced at an amount that equals or exceeds any order to sell in the EDGX Book and is executable. Such order to buy shall be executed at the price(s) of the lowest order(s) to sell having priority in the EDGX Book.

(B) An incoming order to sell will be automatically executed to the extent that it is priced at an amount that equals or is less than any other order to buy in the EDGX Book and is executable. Such order to sell shall be executed at the price(s) of the highest order(s) to buy having priority in the EDGX Book.

(C) Prior to routing to away Trading Centers pursuant to Rule 11.9(b)(2) or cancellation per the order instruction, Step-up Orders shall be displayed to Users, in a manner that is separately identifiable from other Exchange orders, at or within the NBBO price for a period of time not to exceed five hundred milliseconds as determined by the Exchange.

(2) *Routing to Away Trading Centers.* Unless the terms of the order direct the Exchange not to route such order away (e.g., a EDGX Only Order), if a market or marketable limit order has not been executed in its entirety pursuant to paragraph (b)(1) above, the order shall be eligible for routing away as follows:

(A) Routing of Market Orders. The System will designate market orders as IOC or ISO and will cause such orders to be routed for execution to one or more Trading Centers (as defined in Rule 2.11) for potential execution, per the entering User's instructions, in compliance with Rule 611 under Regulation NMS. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either: (i) process the unfilled balance of an order as a EDGX Only Order pursuant to Rule 11.5(c)(4), or (ii) repeat the process described in paragraph (b)(1) above and this paragraph (b)(2)(A) by executing against the EDGX Book and/or routing orders to other market centers until the original, incoming order is executed in its entirety.

(B) Routing of Marketable Limit Orders. The System will designate marketable limit orders as IOC or ISO and will cause such orders to be routed for execution to one or more Trading Centers (as defined in Rule 2.11) for potential execution, per the entering User's instructions, in compliance with Rule 611 under Regulation NMS. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either: (i) process the

unfilled balance of an order as a EDGX Only Order pursuant to Rule 11.5(c)(4), or (ii) repeat the process described in paragraph (b)(1) above and this paragraph (b)(2)(B) by executing against the EDGX Book and/or routing orders to other market centers until the original, incoming order is executed in its entirety or its limit price is reached. If the order's limit price is reached, the order will be posted in the EDGX Book.

(c) *Priority of Routed Orders.* Orders sent by the System to Trading Centers do not retain time priority with respect to other orders in the System and the System shall continue to execute other orders while routed orders are away at another Trading Center. Once routed by the System, an order becomes subject to the rules and procedures of the destination market including, but not limited to, short-sale regulation and order cancellation. Requests from Users to cancel their orders while the order is routed away to another trading center and remains outside the System shall be processed, subject to the applicable trading rules of the relevant trading center. If a routed order is subsequently returned, in whole or in part, that order, or its remainder, shall receive a new timestamp reflecting the time of its return to the System. Following the routing process described above, unless the terms of the order direct otherwise, any unfilled portion of the order originally entered into the System shall be ranked in the EDGX Book in accordance with the terms of such order under Rule 11.8 and such order shall be eligible for execution under this Rule 11.9.

(d) *Display of Automated Quotations.* The System will be operated as an "automated market center" within the meaning of Regulation NMS, and in furtherance thereof, will display "automated quotations" within the meaning of Regulation NMS at all times except in the event that a systems malfunction renders the System incapable of displaying automated quotations. The Exchange shall communicate to Users its procedures concerning a change from automated to "manual quotations" (as defined in Regulation NMS).

(e) *Self-Help.* The Exchange intends to take advantage of the self-help provisions of Regulation NMS. Pursuant to the self-help provisions, the System may execute a transaction that would constitute a trade-through of a Protected Quotation displayed on another trading center if such trading center is experiencing a failure, material delay, or malfunction of its systems or equipment. If another trading center publishing a Protected Quotation repeatedly fails to respond within one second to orders sent by the System to access the trading center's Protected Quotation, the System may disregard those Protected Quotations when routing, displaying, canceling or executing orders on the Exchange. When invoking self-help, the Exchange will:

(1) Notify the non-responding trading center immediately after (or at the same time as) electing self-help; and

(2) Assess whether the cause of the problem lies with the System and, if so, taking immediate steps to resolve the problem instead of invoking self-help.

Rule 11.10. Trade Execution and Reporting

(a) Executions occurring as a result of orders matched against the EDGX Book shall be reported by the Exchange to an appropriate consolidated transaction reporting system to the extent required by the Act and the rules and regulations thereunder. Executions occurring as a

result of orders routed away from the System shall be reported to an appropriate consolidated transaction reporting system by the relevant reporting trading center. The Exchange shall promptly notify Users of all executions of their orders as soon as such executions take place.

(b) The Exchange shall identify all trades executed pursuant to an exception or exemption from Rule 611 of Regulation NMS in accordance with specifications approved by the operating committee of the relevant national market system plan for an NMS stock. If a trade is executed pursuant to both the intermarket sweep order exception of Rule 611(b)(5) of Regulation NMS and the self-help exception of Rule 611(b)(1) of Regulation NMS, such trade shall be identified as executed pursuant to the intermarket sweep order exception.

Rule 11.11. Clearance and Settlement; Anonymity

(a) All transactions through the facilities of the Exchange shall be cleared and settled through a registered clearing agency using a continuous net settlement system. This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through such an agency.

(b) Notwithstanding paragraph (a), transactions may be settled "ex clearing" provided that both parties to the transaction agree.

(c) Each transaction executed within the System is executed on a locked-in basis and shall be automatically processed for clearance and settlement.

(d) The transaction reports produced by the System will indicate the details of transactions executed in the System but shall not reveal contra party identities. Except as set forth in paragraph (e) below, transactions executed in the System will also be cleared and settled anonymously.

(e) Except as required by any registered clearing agency, the Exchange will reveal the identity of a Member or Member's clearing firm in the following circumstances:

(1) for regulatory purposes or to comply with an order of a court or arbitrator; or

(2) when a registered clearing agency ceases to act for a Member or the Member's clearing firm, and determines not to guarantee the settlement of the Member's trades.

Rule 11.12. LIMITATION OF LIABILITY

(a) NEITHER THE EXCHANGE NOR ITS AGENTS, EMPLOYEES, CONTRACTORS, OFFICERS, DIRECTORS, SHAREHOLDERS, COMMITTEE MEMBERS OR AFFILIATES ("EXCHANGE RELATED PERSONS") SHALL BE LIABLE TO ANY USER OR MEMBER, OR SUCCESSORS, REPRESENTATIVES OR CUSTOMERS THEREOF, OR ANY PERSONS ASSOCIATED THEREWITH, FOR ANY LOSS, DAMAGES, CLAIM OR EXPENSE:

(1) GROWING OUT OF THE USE OR ENJOYMENT OF ANY FACILITY OF THE EXCHANGE, INCLUDING, WITHOUT LIMITATION, THE SYSTEM; OR

(2) ARISING FROM OR OCCASIONED BY ANY INACCURACY, ERROR OR DELAY IN, OR OMISSION OF OR FROM THE COLLECTION, CALCULATION, COMPILATION, MAINTENANCE, REPORTING OR DISSEMINATION OF ANY INFORMATION DERIVED FROM THE SYSTEM OR ANY OTHER FACILITY OF THE EXCHANGE, RESULTING EITHER FROM ANY ACT OR OMISSION BY THE EXCHANGE OR ANY EXCHANGE RELATED PERSON, OR FROM ANY ACT CONDITION OR CAUSE BEYOND THE REASONABLE CONTROL OF THE EXCHANGE OR ANY EXCHANGE RELATED PERSON, INCLUDING, BUT NOT LIMITED TO, FLOOD, EXTRAORDINARY WEATHER CONDITIONS, EARTHQUAKE OR OTHER ACTS OF GOD, FIRE, WAR, TERRORISM, INSURRECTION, RIOT, LABOR DISPUTE, ACCIDENT, ACTION OF GOVERNMENT, COMMUNICATIONS OR POWER FAILURE, OR EQUIPMENT OR SOFTWARE MALFUNCTION.

(b) EACH MEMBER EXPRESSLY AGREES, IN CONSIDERATION OF THE ISSUANCE OF ITS MEMBERSHIP IN THE EXCHANGE, TO RELEASE AND DISCHARGE THE EXCHANGE AND ALL EXCHANGE RELATED PERSONS OF AND FROM ALL CLAIMS AND DAMAGES ARISING FROM THEIR ACCEPTANCE AND USE OF THE FACILITIES OF THE EXCHANGE (INCLUDING, WITHOUT LIMITATION, THE SYSTEM).

(c) NEITHER THE EXCHANGE NOR ANY EXCHANGE RELATED PERSON MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR CONDITIONS TO USERS AS TO RESULTS THAT ANY PERSON OR PARTY MAY OBTAIN FROM THE SYSTEM FOR TRADING OR FOR ANY OTHER PURPOSE, AND ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, TITLE, AND NON-INFRINGEMENT WITH RESPECT TO THE SYSTEM ARE HEREBY DISCLAIMED.

(d) NOTWITHSTANDING PARAGRAPH (a) ABOVE, AND SUBJECT TO THE EXPRESS LIMITS SET FORTH BELOW, THE EXCHANGE MAY COMPENSATE MEMBERS FOR LOSSES RESULTING DIRECTLY FROM THE MALFUNCTION OF THE EXCHANGE'S PHYSICAL EQUIPMENT, DEVICES AND/OR PROGRAMMING OR THE NEGLIGENT ACTS OR OMISSIONS OF ITS EMPLOYEES.

(1) AS TO ANY ONE OR MORE CLAIMS MADE BY A SINGLE MEMBER UNDER THIS RULE ON A SINGLE TRADING DAY, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF \$100,000, OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(2) AS TO THE AGGREGATE OF ALL CLAIMS MADE BY ALL MEMBERS UNDER THIS RULE ON A SINGLE TRADING DAY, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF \$250,000 OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(3) AS TO THE AGGREGATE OF ALL CLAIMS MADE BY ALL MEMBERS UNDER THIS RULE DURING A SINGLE CALENDAR MONTH, THE EXCHANGE SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF \$500,000, OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(e) IN THE EVENT THAT ALL OF THE CLAIMS MADE UNDER THIS RULE CANNOT BE FULLY SATISFIED BECAUSE IN THE AGGREGATE THEY EXCEED THE APPLICABLE MAXIMUM LIMITATIONS PROVIDED IN THIS RULE, THEN THE MAXIMUM PERMITTED AMOUNT WILL BE PROPORTIONALLY ALLOCATED AMONG ALL SUCH CLAIMS ARISING ON A SINGLE TRADING DAY OR DURING A SINGLE CALENDAR MONTH, AS APPLICABLE, BASED ON THE PROPORTION THAT EACH SUCH CLAIM BEARS TO THE SUM OF ALL SUCH CLAIMS.

(f) ALL CLAIMS FOR COMPENSATION PURSUANT TO THIS RULE SHALL BE IN WRITING AND MUST BE SUBMITTED NO LATER THAN THE OPENING OF TRADING ON THE NEXT BUSINESS DAY FOLLOWING THE DAY ON WHICH THE USE OF THE EXCHANGE GAVE RISE TO SUCH CLAIMS.

ONCE IN RECEIPT OF A CLAIM, THE EXCHANGE WILL VERIFY THAT: (i) A VALID ORDER WAS ACCEPTED INTO THE EXCHANGE'S SYSTEMS; AND (ii) AN EXCHANGE SYSTEM FAILURE OR A NEGLIGENT ACT OR OMISSION OF AN EXCHANGE EMPLOYEE OCCURRED DURING THE EXECUTION OR HANDLING OF THAT ORDER.

Rule 11.13. Clearly Erroneous Trades

(a) *Definition.* For purposes of this Rule, the terms of a transaction executed on the Exchange are "clearly erroneous" when there is an obvious error in any term, such as price, number of shares or other unit of trading, or identification of the security. A transaction made in clearly erroneous error and cancelled by both parties or determined by the Exchange to be clearly erroneous will be removed from the Consolidated Tape.

(b) *Request and Timing of Review.* A Member that receives an execution on an order that was submitted erroneously to the Exchange for its own or customer account may request that the Exchange review the transaction under this Rule. An Officer of the Exchange or such other employee designee of the Exchange ("Officer") shall review the transaction under dispute and determine whether it is clearly erroneous, with a view toward maintaining a fair and orderly market and the protection of investors and the public interest. Such request for review shall be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members.

(1) *Requests for Review.* Requests for review must be received within thirty (30) minutes of execution time and shall include information concerning the time of the transaction(s), security symbol(s), number of shares, price(s), side (bought or sold), and

factual basis for believing that the trade is clearly erroneous. Upon receipt of a timely filed request that satisfies the numerical guidelines set forth in Section (c)(1) of this Rule, the counterparty to the trade shall be notified by the Exchange as soon as practicable, but generally within 30 minutes. An Officer may request additional supporting written information to aid in the resolution of the matter. If requested, each party to the transaction shall provide, within thirty (30) minutes of the request, any supporting written information. Either party to the disputed trade may request the supporting written information provided by the other party on the matter.

(2) *Routed Executions.* Other market centers will generally have an additional 30 minutes from receipt of their participant's timely filing, but no longer than 60 minutes from the time of the execution at issue, to file with the Exchange for review of transactions routed to the Exchange from that market center and executed on the Exchange.

(c) *Thresholds.* Determinations of a clearly erroneous execution will be based on all relevant factors on a case by case basis including, but not limited to, the following:

(1) *Numerical Guidelines.* A transaction executed during the Regular Market Session or the Pre-Opening and Post-Closing Session may be found to be clearly erroneous only if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below. The execution time of the transaction under review determines whether the guidance threshold is Regular Market Session or Pre-Opening or Post-Closing Session (which occurs before and after the Regular Market Session). The Reference Price will be equal to the consolidated last sale immediately prior to the execution(s) under review except for in Unusual Circumstances as described in (c)(2) below.

Reference Price: Consolidated Last Sale	Regular Market Session Numerical Guidelines (Subject transaction's % difference from the Consolidated Last Sale):	Pre-Opening and Post-Closing Session Numerical Guidelines (Subject transaction's % difference from the Consolidated Last Sale):
Greater than \$0.00 up to and including \$25.00	10%	20%
Greater than \$25.00 up to and including \$50.00	5%	10%
Greater than \$50.00	3%	6%
Multi-Stock Event – Filings involving five or more securities by the same Member will be aggregated into a single filing	10%	10%
Leveraged ETF/ETN securities	Regular Market Session Numerical Guidelines multiplied by the	Regular Market Session Numerical Guidelines multiplied by the

(2) *Unusual Circumstances and Joint Market Rulings.* In Unusual Circumstances, which may include periods of extreme market volatility, sustained illiquidity, or widespread system issues, the Exchange may, in its discretion and with a view toward maintaining a fair and orderly market and the protection of investors and the public interest, use a Reference Price other than the consolidated last sale. Other Reference Prices may include the consolidated inside price, the consolidated opening price, the consolidated prior close, or the consolidated last sale prior to a series of executions. It may also be necessary to use a higher Numerical Guideline if, after market participants have been alerted to the existence of erroneous activity, the price of the security returns toward its prior trading range but continues to trade beyond the price at which trades would normally be broken. The Exchange also may use a different Reference Price and/or higher Numerical Guideline in events that involve Trading Centers in an effort to coordinate a Reference Price and/or Numerical Guideline that is consistent across markets. In order to achieve consistent results across markets, when a ruling is made in conjunction with another market center it may be determined that the number of affected transactions is such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest.

(3) *Additional Factors.* An Officer may also consider additional factors to determine whether an execution is clearly erroneous, including but not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an IPO, whether the security was subject to a stock-split, reorganization, or other corporate action, overall market conditions, Pre-Opening and Post-Closing Session executions, validity of the consolidated tapes trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern in the stock. Each additional factor shall be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

4) *Numerical Guidelines Applicable to Volatile Market Opens.* The Exchange may expand the Numerical Guidelines applicable to transactions occurring between 9:30 a.m. and 10:00 a.m. based on the disseminated value of the S & P 500 Futures at 9:15 a.m.

(A) When the S & P 500 Futures are up or down from 3% to up to but not including 5% at 9:15 a.m. the Numerical Guidelines (calculated pursuant to Section (c)(1) above) are doubled for executions occurring between 9:30 a.m. and 10:00 am.

(B) When the S & P 500 Futures are up or down 5% or greater at 9:15 a.m. the Numerical Guidelines (calculated pursuant to Section (c)(1) above) are tripled for executions occurring between 9:30 a.m. and 10:00 am.

(d) *Outlier Transactions.* In the case of an Outlier Transaction, an Officer may at its sole discretion, and on a case-by-case basis, consider requests received pursuant to subsection (b) of this Rule after 30 minutes, but not longer than sixty minutes after the transaction in question, depending on the facts and circumstances surrounding such request.

(1) "Outlier Transaction" means a transaction where:

(A) the execution price of the security is greater than three times the current Numerical Guidelines set forth in Paragraph (c)(1) of this Section, or

(B) the execution price of the security in question is not within the Outlier Transaction parameters set forth in Paragraph (d)(1)(A) of the Section but breaches the 52-week high or 52-week low, the Exchange may consider Additional Factors as outlined in 11.13(c)(3), in determining if the transaction qualifies for further review or if the Exchange shall decline to act.

(e) *Review Procedures.*

(1) *Determination by Officer.* Unless both parties to the disputed transaction agree to withdraw the initial request for review, the transaction under dispute shall be reviewed, and a determination shall be rendered by the Officer. If the Officer determines that the transaction is not clearly erroneous, the Officer shall decline to take any action in connection with the completed trade. In the event that the Officer determines that the transaction in dispute is clearly erroneous, the Officer shall declare the transaction null and void. A determination shall be made generally within 30 minutes of receipt of the complaint, but in no case later than the start of the Regular Market Session on the following trading day. The parties shall be promptly notified of the determination.

(2) *Appeals.* If a Member affected by a determination made under this Rule so requests within the time permitted below, the Clearly Erroneous Execution Panel ("CEE Panel") will review decisions made by the Officer under this Rule, including whether a clearly erroneous execution occurred and whether the correct determination was made; provided however that the CEE Panel will not review decisions made by an officer under subsection (f) of this Rule if such Officer also determines under subsection (f) of this Rule that the number of the affected transactions is such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest.

(A) The CEE Panel will consist of the Exchange's Chief Regulatory Officer ("CRO"), or a designee of the CRO, and representatives from two (2) Members.

(B) The Exchange shall designate at least ten (10) Member representatives to be called upon to serve on the CEE Panel as needed. In no case shall a CEE Panel include a person affiliated with a party to the trade in question. To the

extent reasonably possible, the Exchange shall call upon the designated representatives to participate on a CEE Panel on an equally frequent basis.

(3) A request for review on appeal must be made via e-mail within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The CEE Panel shall review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received between 3:00 ET and the close of trading in the Post-Closing Session, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

(4) The CEE Panel may overturn or modify an action taken by the Officer under this Rule. All determinations by the CEE Panel shall constitute final action by the Exchange on the matter at issue.

(5) If the CEE Panel votes to uphold the decision made pursuant to Rule 11.13 (e)(1), the Exchange will assess a \$500.00 fee against the Member(s) who initiated the request for appeal.

(6) Any determination by an officer or by the CEE Panel shall be rendered without prejudice as to the rights of the parties to the transaction to submit their dispute to arbitration.

(f) *System Disruption and Malfunctions.* In the event of any disruption or a malfunction in the use or operation of any electronic communications and trading facilities of the Exchange, or extraordinary market conditions or other circumstances in which the nullification of transactions may be necessary for the maintenance of a fair and orderly market or the protection of investors and the public interest exist, the Officer of the Exchange or such other senior level employee designee, on his or her own motion, may review such transactions and declare such transactions arising out of the use or operation of such facilities during such period null and void. In such events, the Officer of the Exchange or such other senior level employee designee will rely on the provisions of Section (c)(1)–(3) of this Rule, but in extraordinary circumstances may also use a lower Numerical Guideline if necessary to maintain a fair and orderly market, protect investors and the public interest. Absent extraordinary circumstances, any such action of the Officer of the Exchange or such other senior level employee designee pursuant to this subsection (f) shall be taken within thirty (30) minutes of detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or such other senior level employee designee must be taken by no later than the start of Regular Session Trading on the day following the date of execution(s) under review. Each Member involved in the transaction shall be notified as soon as practicable, and the Member aggrieved by the action may appeal such action in accordance with the provisions of subsection (e)(2)–(4).

(g) *Officer of the Exchange or such other senior level employee designee Acting On Own Motion.* An Officer of the Exchange or such other senior level employee designee, acting on its own motion, may review potentially erroneous executions and declare trades null and void or shall decline to take any action in connection with the completed trade(s). In such events, the

Officer of the Exchange or such other senior level employee designee will rely on the provisions of Section (c)(1)–(3) of this Rule, but in extraordinary circumstances may also use a lower Numerical Guideline if necessary to maintain a fair and orderly market, protect investors and the public interest. Absent extraordinary circumstances, any such action of the Officer of the Exchange or such other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or such other senior level employee designee must be taken by no later than the start of the Regular Market Session on the trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of subsection (e)(2)-(4) above.

(h) *Trade Nullification for UTP Securities that are Subject of Initial Public Offerings ("IPOs")*. Pursuant to SEC Rule 12f-2, as amended, the Exchange may extend unlisted trading privileges to a security that is the subject of an initial public offering when at least one transaction in the subject security has been effected on the national securities exchange or association upon which the security is listed and the transaction has been reported pursuant to an effective transaction reporting plan. A clearly erroneous error may be deemed to have occurred in the opening transaction of the subject security if the execution price of the opening transaction on the Exchange is the lesser of \$1.00 or 10% away from the opening price on the listing exchange or association. In such circumstances, the Officer of the Exchange or such other senior level employee designee shall declare the opening transaction null and void or shall decline to take action in connection with the completed trade(s). Clearly erroneous executions of subsequent transactions of the subject security will be reviewed in the same manner as the procedure set forth in (e)(1). Absent extraordinary circumstances, any such action of the Officer of the Exchange or such other senior level employee designee pursuant to this subsection (h) shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or such other senior level employee designee must be taken by no later than the start of Regular Session Trading on the day following the date of execution(s) under review. Each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of subsection (e)(2)-(4) above.

Rule 11.14. Trading Halts Due to Extraordinary Market Volatility

(a) Trading in stocks will halt on the Exchange and will not reopen for the time periods described in this paragraph (a) if the Dow Jones Industrial Average reaches Level 1 below its closing value on the previous trading day:

- (1) before 2:00 p.m. Eastern Time, for one hour;
- (2) at or after 2:00 p.m. but before 2:30 p.m. Eastern Time, for 30 minutes.

If the Dow Jones Industrial Average reaches Level 1 below its closing value on the previous trading day at or after 2:30 p.m. Eastern Time, trading will continue through the facilities of the Exchange until the close, unless the Dow Jones Industrial Average reaches Level 2 below its closing value on the previous trading day, at which time trading will be halted for the remainder of the day.

(b) Trading in stocks will halt on the Exchange and will not re-open for the time periods described in this paragraph (b) if the Dow Jones Industrial Average reaches Level 2 below its closing value on the previous trading day:

- (1) before 1:00 Eastern Time, for two hours;
- (2) at or after 1:00 p.m. but before 2:00 p.m. Eastern Time, for one hour;
- (3) at or after 2:00 p.m. Eastern Time, for the remainder of the day.

(c) If the Dow Jones Industrial Average reaches Level 3 below its closing value on the previous trading day, trading in stocks will halt on the Exchange and will not reopen for the remainder of the day.

(d) On the occurrence of any trading halt pursuant to this Rule 11.14, all outstanding orders in the System will be cancelled.

Commentary:

.01 Levels 1, 2 and 3 will be calculated at the beginning of each calendar quarter, using the average closing value of the Dow Jones Industrial Average for the month prior to the beginning of the quarter. Level 1 will be 10% of such average closing value calculation; Level 2 will be 20% of such average closing value calculation; Level 3 will be 30% of such average closing value calculation. Each Level will be rounded to the nearest fifty points. The values of Levels 1, 2 and 3 will remain in effect until the next calculation.

.02 The restrictions in this Rule 11.14 will apply whenever the Dow Jones Industrial Average reaches the trigger values notwithstanding the fact that at any given time, the calculation of the value of the average may be based on the prices of less than all of the stocks included in the average.

.03 The reopening of trading following a trading halt under this Rule 11.14 will be conducted pursuant to procedures adopted by the Exchange and communicated by notice to its Members.

.04 Nothing in this Rule 11.14 should be construed to limit the ability of the Exchange to otherwise halt or suspend the trading in any stock or stocks traded on the Exchange pursuant to any other Exchange Rule or policy.

Rule 11.15. Short Sales

All short sale orders shall be identified as a short sale when entered into the System.

Rule 11.16. Locking or Crossing Quotations in NMS Stocks

(a) *Definitions.* For purposes of this Rule 11.16, the following definitions shall apply:

(1) The terms automated quotation, effective national market system plan, intermarket sweep order, manual quotation, NMS stock, protected quotation, regular trading hours, and trading center shall have the meanings set forth in Rule 600(b) of Regulation NMS.

(2) The term crossing quotation shall mean the display of a bid for an NMS stock during regular trading hours at a price that is higher than the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during regular trading hours at a price that is lower than the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(3) The term locking quotation shall mean the display of a bid for an NMS stock during regular trading hours at a price that equals the price of an offer for such NMS stock previously disseminated pursuant to an effective national market system plan, or the display of an offer for an NMS stock during regular trading hours at a price that equals the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan.

(b) *Prohibition.* Except for quotations that fall within the provisions of paragraph (d) of this Rule, the System shall not make available for dissemination, and Users shall reasonably avoid displaying, and shall not engage in a pattern or practice of displaying, any quotations that lock or cross a protected quotation, and any manual quotations that lock or cross a quotation previously disseminated pursuant to an effective national market system plan.

(c) *Manual quotations.* If a User displays a manual quotation that locks or crosses a quotation previously disseminated pursuant to an effective national market system plan, such User shall promptly either withdraw the manual quotation or route an intermarket sweep order to execute against the full displayed size of the locked or crossed quotation.

(d) *Exceptions.*

(1) The locking or crossing quotation was displayed at a time when the trading center displaying the locked or crossed quotation was experiencing a failure, material delay, or malfunction of its systems or equipment.

(2) The locking or crossing quotation was displayed at a time when a protected bid was higher than a protected offer in the NMS stock.

(3) The locking or crossing quotation was an automated quotation, and the User displaying such automated quotation simultaneously routed an intermarket sweep order to execute against the full displayed size of any locked or crossed protected quotation.

(4) The locking or crossing quotation was a manual quotation that locked or crossed another manual quotation, and the User displaying the locking or crossing manual quotation

simultaneously routed an intermarket sweep order to execute against the full displayed size of the locked or crossed manual quotation.

CHAPTER XII. TRADING PRACTICE RULES

Rule 12.1. Market Manipulation

No Member shall execute or cause to be executed or participate in an account for which there are executed purchases of any security at successively higher prices, or sales of any security at successively lower prices, for the purpose of creating or inducing a false, misleading or artificial appearance of activity in such security on the Exchange or for the purpose of unduly or improperly influencing the market price for such security or for the purpose of establishing a price which does not reflect the true state of the market in such security.

Rule 12.2. Fictitious Transactions

No Member, for the purpose of creating or inducing a false or misleading appearance of activity in a security traded on the Exchange or creating or inducing a false or misleading appearance with respect to the market in such security shall:

- (a) execute any transaction in such security which involves no change in the beneficial ownership thereof, or
- (b) enter any order or orders for the purchase of such security with the knowledge that an order or orders of substantially the same size, and at substantially the same price, for the sale of such security, has been or will be entered by or for the same or different parties, or
- (c) enter any order or orders for the sale of any such security with the knowledge that an order or orders of substantially the same size, and at substantially the same price, for the purchase of such security, has been or will be entered by or for the same or different parties.

Rule 12.3. Excessive Sales by a Member

No Member shall execute purchases or sales in any security traded on the Exchange for any account in which such Member is directly or indirectly interested, which purchases or sales are excessive in view of the Member's financial resources or in view of the market for such security.

Rule 12.4. Manipulative Transactions

- (a) No Member shall participate or have any interest, directly or indirectly, in the profits of a manipulative operation or knowingly manage or finance a manipulative operation.
- (b) Any pool, syndicate or joint account organized or used intentionally for the purpose of unfairly influencing the market price of a security shall be deemed to be a manipulative operation.
- (c) The solicitation of subscriptions to or the acceptance of discretionary orders from any such pool, syndicate or joint account shall be deemed to be managing a manipulative operation.

(d) The carrying on margin of a position in such security or the advancing of credit through loans to any such pool, syndicate or joint account shall be deemed to be financing a manipulative operation.

Rule 12.5. Dissemination of False Information

No Member shall make any statement or circulate and disseminate any information concerning any security traded on the Exchange which such Member knows or has reasonable grounds for believing is false or misleading or would improperly influence the market price of such security.

Rule 12.6. Customer Priority

(a) No Member shall (i) personally buy or initiate the purchase of any security traded on the Exchange for its own account or for any account in which it or any associated person of the member is directly or indirectly interested while such a member holds or has knowledge that any person associated with it holds an unexecuted market order to buy such security in the unit of trading for a customer, or (ii) sell or initiate the sale of any such security for any such account while it personally holds or has knowledge that any person associated with it holds an unexecuted market order to sell such security in the unit of trading for a customer.

(b) No Member shall (i) buy or initiate the purchase of any such security for any account in which it or any associated person of the member is directly or indirectly interested at or below the price at which it personally holds or has knowledge that any person associated with it holds an unexecuted limit order to buy such security in the unit of trading for a customer or (ii) sell or initiate the sale of any such security for any such account at or above the price at which it personally holds or has knowledge that any person associated with it holds an unexecuted limit order to sell such security in the unit of trading for a customer.

(c) The provisions of paragraphs (a) and (b) of this Rule shall not apply: (i) to any purchase or sale of any such security in an amount less than the unit of trading made by a member to offset odd-lot orders for customers; (ii) to any purchase or sale of any such security upon terms for delivery other than those specified in such unexecuted market or limit order; or (iii) to any unexecuted order that is subject to a condition that has not been satisfied.

(d) The provisions of paragraphs (a) and (b) of this Rule also shall not apply if a Member engages in trading activity to facilitate the execution, on a riskless principal basis, of another order from its customer (whether its own customer or the customer of another member) (the "facilitated order"). This exemption applies to both offsetting transaction legs of a riskless principal transaction but only to the extent of the actual number of shares that are required to satisfy the facilitated order. A "riskless principal transaction" is defined as two offsetting principal transaction legs in which a Member, (i) after having received an order to buy a security that it holds for execution on the Exchange, purchases the security as principal at the same price, exclusive of markups, markdowns, commissions and other fees, to satisfy all or a portion of the order to buy or (ii) after having received an order to sell a security that it holds for execution on the Exchange, sells the security as principal at the same price, exclusive of markups, markdowns, commissions and other fees, to satisfy all or a portion of the order to sell.

Interpretations and Policies

.01 A Member or any associated person of a Member responsible for entering orders for its own account or any account in which it is directly or indirectly interested shall be presumed to have knowledge of a particular unexecuted customer order. Such presumption can be rebutted by adequate evidence which shows, to the Exchange's satisfaction, that the Member has implemented a reasonable system of internal policies and procedures and has an adequate system of internal controls to prevent the misuse of information about customer orders by those responsible for entering such proprietary orders.

.02 A Member shall be deemed to have violated Rule 12.6 if, while holding a customer limit order (as rounded to a penny increment) representing the NBBO, the Member, for his own account, trades with an incoming market or marketable limit order at a price which is less than one penny better than the price of such customer limit order (not the quoted price) held by such Member.

.03 A Member shall be deemed to have violated Rule 12.6 if, while holding a customer limit order (as rounded to a penny increment) at a price outside the NBBO, the Member, for his own account, trades with an incoming market or marketable limit order at a price which is less than the nearest penny increment to the actual price of the customer limit order (not the quoted price) held by such Member.

Rule 12.7. Joint Activity

No Member, directly or indirectly, shall hold any interest or participation in any joint account for buying or selling in a security traded on the Exchange, unless such joint account is promptly reported to the Exchange. The report should contain the following information for each account:

- (a) the name of the account, with names of all participants and their respective interests in profits and losses;
- (b) a statement regarding the purpose of the account;
- (c) the name of the Member carrying and clearing the account; and
- (d) a copy of any written agreement or instrument relating to the account.

Rule 12.8. Influencing the Consolidated Tape

No Member shall attempt to execute a transaction or transactions to buy or sell a security for the purpose of influencing any report appearing on the Consolidated Tape.

Rule 12.9. Trade Shredding

No Member or associated person of a Member may engage in "trade shredding". Trade shredding is conduct that has the intent or effect of splitting any order into multiple smaller orders for execution or any execution into multiple smaller executions for the primary purpose of maximizing a monetary or in-kind amount to be received by the Member or associated person of

a Member as a result of the execution of such orders or the transaction reporting of such executions. For purposes of this Rule 12.9, "monetary or in-kind amount" shall be defined to include, but not be limited to, any credits, commissions, gratuities, payments for or rebates of fees, or any other payments of value to the Member or associated person of a Member.

Rule 12.10. Options

(a) No Member shall initiate the purchase or sale on the Exchange for its own account, or for any account in which it is directly or indirectly interested, of any stock of any issuer in which it holds or has granted any put, call, straddle or option; provided, however, that this prohibition shall not be applicable in respect of any option issued by The Options Clearing Corporation.

(b) No Member acting as an odd-lot dealer shall become interested directly or indirectly, in a pool dealing or trading in the stock of any issuer in which it is an odd-lot dealer, nor shall it acquire or grant directly or indirectly, any option to buy or sell, receive or deliver shares of stock of any issuer in which such Member is an odd-lot dealer, unless such option is issued by The Options Clearing Corporation.

Rule 12.11. Best Execution

In executing customer orders, a Member is not a guarantor of "best execution" but must use the care of a reasonably prudent person in the light of all circumstances deemed relevant by the Member and having regard for the Member's brokerage judgment and experience.

Interpretations and Policies

.01 As part of a Member's fiduciary obligation to provide best execution for its customer limit orders, the Member shall refer to, and comply with, Rule 604 promulgated under the Act.

Rule 12.12. Publication of Transactions and Changes

(a) The Exchange shall cause to be disseminated for publication on the Consolidated Tape all last sale price reports of transactions executed through the facilities of the Exchange pursuant to the requirements of an effective transaction reporting plan approved by the Commission.

(b) To facilitate the dissemination of such last sale price reports, each Member shall cause to be reported to the Exchange, as promptly as possible after execution, all information concerning each transaction required by the effective transaction reporting plan.

(c) An official of the Exchange shall approve any corrections to reports transmitted over the consolidated tape. Any such corrections shall be made within one day after detection of the error.

Rule 12.13 Trading Ahead of Research Reports

(a) No Member shall use any facility of the Exchange to establish, increase, decrease or liquidate an inventory position in a security based on non-public advance knowledge of the content or timing of a research report in that security.

(b) Members must establish, maintain and enforce policies and procedures reasonably designed to restrict or limit the information flow between research department personnel, or other persons with knowledge of the content or timing of a research report, and trading department personnel, so as to prevent trading department personnel from utilizing non-public advance knowledge of the issuance or content of a research report for the benefit of the Member or any other person.

CHAPTER XIII. MISCELLANEOUS PROVISIONS

Rule 13.1. Comparison and Settlement Requirements

(a) Every Member who is a Member of a qualified clearing agency shall implement comparison and settlement procedures under the rules of such entity and every Member who is not such a Member shall implement comparison and settlement procedures which conform to the comparison and settlement requirements of the National Association of Securities Dealers Uniform Practice Code.

(b) For purposes of this Rule, a qualified clearing agency shall mean a clearing agency (as defined in the Act) which has agreed to supply the Exchange with data reasonably requested in order to permit the Exchange to enforce compliance by its Members and Member organizations with the provisions of the Act, the rules and regulations thereunder, and the rules of the Exchange.

(c) Anything contained in paragraph (a) to the contrary notwithstanding, the Board may extend or postpone the time of the delivery of an Exchange transaction whenever, in its opinion, such action is called for by the public interest, by just and equitable principles of trade or by the need to meet unusual conditions. In such case, delivery shall be effected at such time, place and manner as directed by the Board.

Rule 13.2. Short Sale Borrowing and Delivery Requirements

Borrowing and deliveries shall be effected in accordance with Rule 203 of Regulation SHO, under the Exchange Act. The Exchange incorporates by reference Rules 200 (17 CFR 242.200) and 203 (17 CFR 242.203) of Regulation SHO, to this Rule 13.2, as if they were fully set forth herein.

Rule 13.3. Forwarding of Issuer Materials

A Member when so requested by an issuer and upon being furnished with: (1) sufficient copies of annual reports, information statements or other material required by law to be sent to stockholders periodically, and (2) satisfactory assurance that it will be reimbursed by such issuer for all out-of-pocket expenses, including reasonable clerical expenses, shall transmit promptly to each beneficial owner of securities of such issuer which are in its possession and control and registered in a name other than the name of the beneficial owner all such material furnished. This paragraph shall not apply to beneficial owners residing outside of the United States of America though Members may voluntarily comply with the provisions hereof in respect of such persons if they so desire.

Rule 13.4. Assigning of Registered Securities in Name of a Member or Member Organization

A Member may authorize one or more persons who are his or its employees to assign registered securities in the name of such Member and to guarantee assignments of registered securities with the same effect as if the name of such Member had been signed under like circumstances by one of the partners of the Member firm or by one of the authorized officers of the Member

corporation by executing and filing with the Exchange, in a form prescribed by it, a separate Power of Attorney for each person so authorized.

Rule 13.5. Commissions

Nothing in the Exchange Rules, the By-Laws or the Exchange practices shall be construed to require, authorize or permit any Member, or any person associated with a Member, to agree or arrange, directly or indirectly, for the charging of fixed rates of commission for transactions effected on, or effected by the use of the facilities of, the Exchange.

Rule 13.6. Off-Exchange Transactions

No rule, stated policy or practice of this Exchange shall prohibit or condition, or be construed to prohibit or condition or otherwise limit, directly or indirectly, the ability of any Member to effect any transaction otherwise than on this Exchange with another person in any security listed on this Exchange or to which unlisted trading privileges on this Exchange have been extended.

Rule 13.7. Regulatory Services Agreements

The Exchange may enter into one or more agreements with another self-regulatory organization to provide regulatory services to the Exchange to assist the Exchange in discharging its obligations under Section 6 and Section 19(g) of the Securities Exchange Act of 1934. Any action taken by another self-regulatory organization, or its employees or authorized agents, acting on behalf of the Exchange pursuant to a regulatory services agreement shall be deemed to be an action taken by the Exchange; provided, however, that nothing in this provision shall affect the oversight of such other self-regulatory organization by the Securities and Exchange Commission. Notwithstanding the fact that the Exchange may enter into one or more regulatory services agreements, the Exchange shall retain ultimate legal responsibility for, and control of, its self-regulatory responsibilities, and any such regulatory services agreement shall so provide.

CHAPTER XIV. SECURITIES TRADED

Rule 14.1. Unlisted Trading Privileges

(a) Notwithstanding the requirements for listing set forth in these Rules, the Exchange may extend unlisted trading privileges (“UTP”) to any Equity Security (as defined below) that is listed on another national securities exchange or with respect to which unlisted trading privileges may otherwise be extended in accordance with Section 12(f) of the Exchange Act. Any such security will be subject to all Exchange trading rules applicable to equity securities, unless otherwise noted. The Exchange will not list any Equity Securities. Therefore, the provisions of Rules 14.2 through 14.9 that permit the listing of Equity Securities other than common stock, secondary classes of common stock, preferred stock and similar issues, shares or certificates of beneficial interest of trusts, notes, limited partnership interests, warrants, certificates of deposit for common stock, convertible debt securities, American Depositary Receipts (“ADRs”), and contingent value rights (“CVRs”) will not be effective until the Exchange files a proposed rule change under Section 19(b)(2) under the Exchange Act to amend its rules to comply with Rule 10A-3 under the Exchange Act and to incorporate qualitative listing criteria, and such proposed rule change is approved by the Commission. For purposes of this Chapter XIV, the term “Equity Security” means, but is not limited to, common stock, secondary classes of common stock, preferred stock and similar issues, shares or certificates of beneficial interest of trusts, notes, limited partnership interests, warrants, certificates of deposit for common stock, convertible debt securities, ADRs, CVRs, Investment Company Units, Trust Issued Receipts (including those based on Investment Shares), Commodity-Based Trust Shares, Currency Trust Shares, Partnership Units, Equity-Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Portfolio Depositary Receipts and Equity-Linked Debt Securities.

(b) Prior to the commencement of trading of CVRs on the Exchange, the Exchange will distribute a circular to its Members providing guidance regarding Member compliance responsibilities (including suitability recommendations and account approval) when handling transactions in CVRs.

(c) UTP Derivative Securities. Any UTP Security that is a “new derivative securities product” as defined in Rule 19b-4(e) under the Exchange Act (a “UTP Derivative Security”) and traded pursuant to Rule 19b-4(e) under the Exchange Act shall be subject to the additional following rules:

(1) Form 19b-4(e). The Exchange shall file with the Securities and Exchange Commission a Form 19b-4(e) with respect to each UTP Derivative Security.

(2) Information Circular. The Exchange shall distribute an information circular prior to the commencement of trading in each such UTP Derivative Security that generally includes the same information as contained in the information circular provided by the listing exchange, including: (a) the special risks of trading new derivative securities product; (b) the Exchange Rules that will apply to the new derivative securities product, including Rule 3.7; (c) information about the dissemination of value of the underlying assets or indexes; and (d) the risk of trading during the Pre-Opening Session

(9:00 a.m. – 9:30 a.m. Eastern Time) and the Post-Closing Session (4:00p.m. – 8:00p.m. Eastern Time) due to the lack of calculation or dissemination of the intra-day indicative value or a similar value.

(3) Product Description.

(A) Prospectus Delivery Requirements. Members are subject to the prospectus delivery requirements under the Securities Act of 1933, unless UTP Derivative Security that is the subject of an order by the Securities and Exchange Commission exempting the product from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and the product is not otherwise subject to prospectus delivery requirements under the Securities Act of 1933.

(B) Written Description of Terms and Conditions. The Exchange shall inform Members of the application of the provisions of this subparagraph to UTP Derivative Securities by means of an information circular. The Exchange requires that Members provide all purchasers of UTP Derivative Securities a written description of the terms and characteristics of those securities, in a form approved by the Exchange or prepared by the open-ended management company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include a written description with any sales material relating to UTP Derivative Securities that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to the UTP Derivative Securities as an investment vehicle must include a statement substantially in the following form:

“A circular describing the terms and characteristics of [the UTP Derivative Securities] has been prepared by the [open-ended management investment company name] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [the UTP Derivative Securities].”

A Member carrying an omnibus account for a non-Member is required to inform such non-Member that execution of an order to purchase UTP Derivative Securities for such omnibus account will be deemed to constitute an agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to the Member under this Rule.

(C) Customer Requests for a Prospectus. Upon request of a customer, a Member shall also provide a prospectus for the particular UTP Derivative Securities.

(4) Trading Halts.

(A) If a temporary interruption occurs in the calculation or wide

dissemination of the intraday indicative value (or similar value) or the value of the underlying index or instrument and the listing market halts trading in the product, the Exchange, upon notification by the listing market of such halt due to such temporary interruption, also shall immediately halt trading in that product on the Exchange. If the intraday indicative value (or similar value) or the value of the underlying index or instrument continues not to be calculated or widely available as of the commencement of trading on the Exchange on the next business day, the Exchange shall not commence trading of the product that day. If an interruption in the calculation or wide dissemination of the intraday indicative value (or similar value) or the value of the underlying index or instrument continues, the Exchange may resume trading in the product only if calculation and wide dissemination of the intraday indicative value (or similar value) or the value of the underlying index or instrument resumes or trading in such series resumes in the listing market. Nothing in this rule shall limit the power of the Exchange under the By-Laws, Rules (including without limitation Rule 11.1) or procedures of the Exchange with respect to the Exchange's ability to suspend trading in any securities if such suspension is necessary for the protection of investors or in the public interest.

(B) For a UTP Derivative Security where a net asset value (and, in the case of managed fund shares or actively managed exchange-traded funds, a "disclosed portfolio") is disseminated, the Exchange will immediately halt trading in such security upon notification by the listing market that the net asset value and, if applicable, such disclosed portfolio, is not being disseminated to all market participants at the same time. The Exchange may resume trading in the UTP Derivative Security only when trading in the UTP Derivative Security resumes on the listing market.

(5) Surveillance. The Exchange shall enter into a comprehensive surveillance sharing agreement with markets trading components of the index or portfolio on which the UTP Derivative Security is based to the same extent as the listing exchange's rules require the listing exchange to enter into a comprehensive surveillance sharing agreement with such markets.

Interpretations and Policies

.01 The Exchange will halt trading during Regular Trading Hours when required by, and in accordance with, Rule 14.1(c)(4)(A) and (B). The Exchange will halt trading during extended hours trading sessions as follows:

(a) Pre-Opening Session. If a UTP Derivative Security begins trading on the Exchange in the Pre-Opening Session and subsequently a temporary interruption occurs in the calculation or wide dissemination of the Intraday Indicative Value ("IIV") or the value of the underlying index, as applicable, to such UTP Derivative Security, by a major market data vendor, the Exchange may continue to trade the UTP Derivative Security for the remainder of the Pre-Opening Session.

(b) Post-Closing Session and Next Business Day's Pre-Opening Session.

(1) If the IIV or the value of the underlying index continues not to be calculated or widely available after the close of Regular Trading Hours, the Exchange may trade the UTP Derivative Security in the Post-Closing Session only if the listing market traded such securities until the close of its regular trading session without a halt.

(2) If the IIV or the value of the underlying index continues not to be calculated or widely available as of the commencement of the Pre-Opening Session on the next business day, the Exchange shall not commence trading of the UTP Derivative Security in the Pre-Opening Session that day. If an interruption in the calculation or wide dissemination of the IIV or the value of the underlying index continues, the Exchange may resume trading in the UTP Derivative Security only if calculation and wide dissemination of the IIV or the value of the underlying index resumes or trading in the UTP Derivative Security resumes in the listing market.

Rule 14.2. Investment Company Units

The Exchange will consider for listing and/or trading, whether pursuant to Rule 19b-4(e) under the Exchange Act or otherwise, units of trading ("Units") that meet the criteria of this Rule 14.2. A Unit is a security that represents an interest in a registered investment company ("Investment Company") that could be organized as a unit investment trust, an open-end management investment company, or a similar entity.

(a) Original Unit Listing Standards.

(1) The Investment Company must:

(A) hold securities (including fixed income securities) comprising, or otherwise based on or representing an interest in, an index or portfolio of securities; or

(B) hold securities in another registered investment company that holds securities as described in (A) above.

An index or portfolio may be revised as necessary or appropriate to maintain the quality and character of the index or portfolio.

(2) The Investment Company must issue Units in a specified aggregate number in return for a deposit (the "Deposit") consisting of either:

(A) a specified number of shares of securities (or, if applicable, a specified portfolio of fixed income securities) that comprise the index or portfolio, or are otherwise based on or represent an investment in securities comprising such index or portfolio, and/or a cash amount; or

(B) shares of a registered investment company, as described in clause (a)(1)(B) above, and/or a cash amount.

(3) Units must be redeemable, directly or indirectly, from the Investment Company for securities (including fixed income securities) and/or cash then comprising the Deposit. Units must pay holders periodic cash payments corresponding to the regular cash dividends or distributions declared with respect to the securities held by the Investment Company, less applicable expenses and charges.

(4) For each series of Investment Company Units, the Exchange will establish a minimum number of Units required to be outstanding at the time of commencement of trading on the Exchange. Notwithstanding the foregoing, for the initial listing of a series of Investment Company Units in reliance upon Rule 19b-4(e) under the Exchange Act, there must be at least 100,000 Units outstanding prior to the commencement of trading of a series of Units on the Exchange.

(5) Voting rights shall be as set forth in the applicable Investment Company prospectus.

(b) Underlying Indices and Portfolios.

(1) The Exchange may list and/or trade, whether by listing or pursuant to unlisted trading privileges, specified series of Units, with each series based on a specified index or portfolio of securities.

(2) Upon the initial listing of a series of Investment Company Units on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, the component stocks of an index or portfolio underlying such series shall meet the following criteria as of the date of the initial deposit of securities in connection with the initial issuance of such Investment Company Units:

(A) component stocks that in the aggregate account for at least 90 percent of the weight of the index or portfolio must have a minimum market value of at least \$75 million;

(B) the component stocks representing at least 90 percent of the weight of the index or portfolio must have a minimum monthly trading volume during each of the last six months of at least 250,000 shares;

(C) the most heavily weighted component stock may not exceed 30 percent of the weight of the index or portfolio, and the five most heavily weighted component stocks may not exceed 65 percent of the weight of the index or portfolio;

(D) the underlying index or portfolio must include a minimum of 13 stocks;
and

(E) all securities in the underlying index or portfolio must be listed on a national securities exchange.

(3) The value of the index or portfolio must be calculated and disseminated to the public at least once per business day; provided that, if the securities representing at least half the value of the index or portfolio are securities of a single country other than the United States, then the value of the index or portfolio may be calculated and disseminated to the public at least once per day that is a business day in that country. If a series of Investment Company Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, the current value of the underlying index must be widely disseminated by one or more major market data vendors or disseminated over the consolidated tape at least every 15 seconds during trading hours on the Exchange. In addition, there must be similarly disseminated for that series an estimate, updated every 15 seconds, of the value of a share of each series. This may be based, for example, upon current information regarding the required deposit of securities plus any cash amount to permit creation of new shares of the series or upon the index value. If the Exchange is trading Investment Company Units pursuant to unlisted trading privileges, it will cease trading the Investment Company Unit if the primary listing exchange ceases trading the Investment Company Unit for any of the above reasons.

(4) If a series of Investment Company Units is listed for trading on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act:

(A) the index underlying the series must be calculated based on either the market capitalization, modified market capitalization, price equal-dollar or modified equal-dollar weighting methodology;

(B) if the index is maintained by a broker or dealer, (i) the broker or dealer must erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and (ii) the index must be calculated by a third party who is not a broker-dealer; and

(C) if a series of Investment Company Units is listed for trading or traded pursuant to unlisted trading privileges on the Exchange in reliance upon Rule 19b-4(e) under the Exchange Act, the Exchange will implement written surveillance procedures applicable to such series. In addition, the Exchange will comply with the record-keeping requirements of Rule 19b-4(e) under the Exchange Act, and will file Form 19b-4(e) for each series of Investment Company Units within five business days of the commencement of trading.

(c) Continued Listing Criteria.

If the Exchange lists the Units, the Exchange will consider the suspension of trading and delisting of a series of Units in any of the following circumstances:

(1) Following the initial twelve (12) month period beginning upon the commencement of trading of a series of Units, there are fewer than 50 record and/or beneficial holders of Units for 30 or more consecutive trading days;

(2) The value of the index or portfolio of securities on which the series is based is no longer calculated or available; or

(3) Such other event shall occur or condition exist that, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

In addition, the Exchange will remove Units from trading and listing upon termination of the issuing Investment Company. If the Exchange is trading Units pursuant to unlisted trading privileges, it will cease trading the Units if the primary listing exchange ceases trading the Units for any of the above reasons.

(d) Provision of Prospectus and Written Description.

(1) This paragraph shall only apply to a series of Investment Company Units as to which the sponsor or other appropriate party has obtained an exemption from Section 24(d) of the Investment Company Act of 1940. In connection with any such series of Investment Company Units listed on the Exchange, Members must provide to all purchasers of such series of Investment Company Units a written description of the terms and characteristics of such securities, in a form prepared or approved by the Exchange, not later than the time a confirmation of the first transaction in such security is delivered to such purchaser. In addition, Members must include such a written description with any sales material relating to such series of Investment Company Units that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to such series of Investment Company Units as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the series of Investment Company Units] has been prepared by [Trust name] and is available from your broker or the EDGX EXCHANGE. It is recommended that you obtain and review such circular before purchasing [the series of Investment Company Units]. In addition, upon request, you may obtain from your broker a prospectus for [the series of Investment Company Units]."

(2) A Member carrying an omnibus account for a non-Member broker-dealer is required to inform such non-Member that execution of an order to purchase a series of Investment Company Units for such omnibus account will be deemed to constitute agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to Members under this rule.

(3) Upon request of a customer, a Member shall also provide a prospectus for the particular series of Investment Company Units.

(e) Limitation on Liability. Neither the Exchange, any affiliate, nor any Index Licensor or Administrator guarantees the timeliness, sequence, accuracy or completeness of index and Investment Company Unit information. Neither the Exchange, any affiliate, nor any Index Licensor or Administrator shall have any liability for any loss, damages, claim or expense arising from or occasioned by any inaccuracy, error or delay in, or omission of or from, (i) any index and Investment Company Unit information or (ii) the collection, calculation, compilation, maintenance, reporting or dissemination of any index, any portfolio or any index and Investment Company Unit information, resulting either from any negligent act or omission by the Exchange, any affiliate or any Index Licensor or Administrator or from any act, condition or cause beyond the reasonable control of the Exchange, any affiliate or any Index Licensor or Administrator, including, but not limited to, flood, extraordinary weather conditions, earthquake or other act of

God, fire, war, insurrection, riot, labor dispute, accident, action of government, communications or power failure, or equipment or software malfunction. Without limiting any of the foregoing, in no event shall the Exchange, any affiliate, or any index Licensor or Administrator have any liability for any lost profits or special, punitive, incidental, indirect or consequential damages, even if notified of the possibility of such damages.

(f) **No Warranties.** Neither the Exchange, any affiliate, nor any Index Licensor or Administrator makes any express or implied warranty as to results that any person or party may obtain from using (i) any Investment Company Unit, (ii) the index or portfolio that is the basis for determining the component stocks of an Investment Company Unit, or (iii) any index or Investment Company Unit information, for trading or any other purpose. The Exchange, its affiliates and each Index Licensor or Administrator makes no express or implied warranties, and disclaims all warranties of merchantability or fitness for a particular purpose or use, with respect to any such Investment Company Unit, index, portfolio or information.

(g) **Hours of Trading.** Any series of Investment Company Units so designated by the Exchange may be traded on the Exchange during Regular Trading Hours and Pre-Opening and Post-Closing Sessions.

Rule 14.3. Trust Issued Receipts

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Trust Issued Receipts that meet the criteria of this Rule 14.3.

(b) **Applicability.** This rule is applicable only to Trust Issued Receipts.

(c) **Prospectus Delivery.** Members must provide to all purchasers of newly issued Trust Issued Receipts a prospectus for the series of Trust Issued Receipts.

(d) **Trading Hours.** Transactions in Trust Issued Receipts may be effected during Regular Trading Hours and Pre-Opening and Post-Closing Sessions for each series.

(e) **Definitions.** A "Trust Issued Receipt" means a security (i) that is issued by a trust ("Trust") that holds specified securities deposited with the Trust; (ii) that, when aggregated in some specified minimum number, may be surrendered to the Trust by the beneficial owner to receive the securities; and (iii) that pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee ("Trustee") by an issuer of the deposited securities.

(f) **Designation.** The Exchange may trade, whether by listing or pursuant to unlisted trading privileges, Trust Issued Receipts based on one or more securities. The Trust Issued Receipts based on particular securities shall be designated as a separate series and shall be identified by a unique symbol. The securities that are included in a series of Trust Issued Receipts shall be selected by the Exchange or by such other person as shall have a proprietary interest in such Trust Issued Receipts.

(g) **Initial and Continued Listing and/or Trading.** Trust Issued Receipts will be listed and/or traded on the Exchange subject to application of the following criteria:

(1) **Commencement of Trading.** For each Trust, the Exchange will establish a minimum number of Trust Issued Receipts required to be outstanding at the time of commencement of trading on the Exchange.

(2) **Continued Trading.** Following the initial twelve (12) month period following formation of a Trust and commencement of trading on the Exchange, the Exchange will consider the suspension of trading in or removal from listing of or termination of unlisted trading privileges for a Trust upon which a series of Trust Issued Receipts is based under any of the following circumstances:

(A) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days;

(B) if the Trust has fewer than 50,000 receipts issued and outstanding;

(C) if the market value of all receipts issued and outstanding is less than \$1,000,000; or

(D) if any other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

If the Exchange is trading the Trust Issued Receipts pursuant to unlisted trading privileges, it will cease trading the Trust Issued Receipts if the primary listing exchange ceases trading the Trust Issued Receipts for any of the above reasons.

Upon termination of a Trust, the Exchange requires that Trust Issued Receipts issued in connection with such Trust be removed from Exchange listing or have their unlisted trading privileges terminated. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(h) **Term.** The stated term of the Trust shall be as stated in the Trust prospectus; however, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(i) **Trustee.** The trustee must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(j) **Voting Rights.** Voting rights shall be as set forth in the Trust prospectus.

Interpretation and Policies

.01 The Exchange may approve Trust Issued Receipts for trading, whether by listing or pursuant to unlisted trading privileges, pursuant to Rule 19b-4(e) under the Act, provided that the following criteria are satisfied:

- (a) Each security underlying the Trust Issued Receipt must be registered under Section 12 of the Act;
- (b) Each security underlying the Trust Issued Receipt must have a minimum public float of at least \$150 million;
- (c) Each security underlying the Trust Issued Receipt must be listed on a national securities exchange or traded through the facilities of Nasdaq as a reported national market system security;
- (d) Each security underlying the Trust Issued Receipt must have an average daily trading volume of at least 100,000 shares during the preceding sixty-day trading period;
- (e) Each security underlying the Trust Issued Receipt must have an average daily dollar value of shares traded during the preceding sixty-day trading period of at least \$1 million; and
- (f) The most heavily weighted security in the Trust Issued Receipt cannot initially represent more than 20% of the overall value of the Trust Issued Receipt.

.02

- (a) Provisions of this Commentary apply only to Trust Issued Receipts that invest in “Investment Shares” as defined below. Rules that reference Trust Issued Receipts shall also apply to Trust Issued Receipts investing in Investment Shares.
- (b) Definitions. The following terms as used in this Commentary shall, unless the context otherwise requires, have the meanings herein specified:
 - (1) Investment Shares. The term “Investment Shares” means a security (a) that is issued by a trust, partnership, commodity pool or other similar entity that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities, swaps or high credit quality short-term fixed income securities or other securities; and (b) issued and redeemed daily at net asset value in amounts correlating to the number of receipts created and redeemed in a specified aggregate minimum number.
 - (2) Futures Contract. The term “futures contract” is commonly known as a “contract of sale of a commodity for future delivery” set forth in Section 2(a) of the Commodity Exchange Act.
 - (3) Forward Contract. A forward contract is a contract between two parties to purchase and sell a specific quantity of a commodity at a specified price with delivery and settlement at a future date. Forwards are traded over-the counter (“OTC”) and not listed on a futures exchange.
- (c) Designation. The Exchange may list and trade Trust Issued Receipts investing in Investment Shares. Each issue of a Trust Issued Receipt based on a particular Investment Share shall be designated as a separate series and shall be identified by a unique symbol.

(d) Initial and Continued Listing. Trust Issued Receipts based on Investment Shares will be listed and/or traded on the Exchange subject to application of the following criteria:

(1) Initial Listing. The Exchange will establish a minimum number of receipts required to be outstanding at the time of commencement of trading on the Exchange.

(2) Continued Listing. The Exchange will consider removing from listing Trust Issued Receipts based on an Investment Share under any of the following circumstances:

(A) if following the initial twelve (12) month period following the commencement of trading of the shares, (i) the Issuer has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days; (ii) if the Issuer has fewer than 50,000 securities or shares issued and outstanding; or (iii) if the market value of all securities or shares issued and outstanding is less than \$1,000,000;

(B) if the value of an underlying index or portfolio is no longer calculated or available on at least a 15-second delayed basis or the Exchange stops providing a hyperlink on its website to any such asset or investment value;

(C) if the Indicative Value is no longer made available on at least a 15-second delayed basis; or

(D) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

If the Exchange is trading the Trust Issued Receipts based on Investment Shares pursuant to unlisted trading privileges, it will cease trading such Trust Issued Receipts if the primary listing exchange ceases trading the Trust Issued Receipts for any of the above reasons.

Upon termination of the Trust, the Exchange requires that Trust Issued Receipts based on Investment Shares issued in connection with such Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of the Trust falls below a specified amount.

(e) Term. The stated term of the Trust shall be as stated in the prospectus; however, such entity may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(f) Trustee. The following requirements apply:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee;

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the primary listing exchange.

- (g) Voting Rights. Voting rights shall be as set forth in the applicable Trust prospectus.
- (h) The Exchange will file separate proposals under Section 19(b) of the Exchange Act before trading, either by listing or trading pursuant to unlisted trading privileges Trust Issued Receipts based on separate Investment Shares.
- (i) Limitation on Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying asset or commodity value, the current value of the underlying asset or commodity if required to be deposited to the Trust in connection with issuance of Trust Issued Receipts, net asset value, or other information relating to the purchase, redemption or trading of Trust Issued Receipts, resulting from any negligent act or omission by the Exchange or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction, or any error, omission or delay in the reports of transactions in an underlying asset or commodity.

Rule 14.4. Commodity-Based Trust Shares

- (a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Commodity-Based Trust Shares that meet the criteria of this Rule 14.4.
- (b) Applicability. This rule is applicable only to Commodity-Based Trust Shares.
- (c) Prospectus Delivery. Members must provide to all purchasers of newly issued Commodity-Based Receipts a prospectus for the series of Commodity-Based Trust Shares
- (d) Trading Hours. Transactions in Commodity-Based Trust Shares will occur during Regular Trading Hours for each series.
- (e) Definition. "Commodity-Based Trust Shares" mean securities (i) that are issued by a trust ("Trust") that holds a specified commodity deposited with the Trust; (ii) that are issued by such Trust in a specified aggregate minimum number in return for a deposit of a quantity of the underlying commodity; and (iii) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such Trust that will deliver to the redeeming holder the quantity of the underlying commodity. "Commodity" is defined in Section 1(a)(4) of the Commodity Exchange Act. Commodity-Based Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.
- (f) Designation. The Exchange may trade, pursuant to unlisted trading privileges, Commodity-Based Trust Shares based on an underlying commodity. Each issue of a Commodity-Based Trust Share shall be designated as a separate series and shall be identified by a unique symbol.
- (g) Initial and Continued Listing. Commodity-Based Trust Shares will be listed and traded on the Exchange subject to application of the following criteria:

(1) Initial Listing. The Exchange will establish a minimum number of Commodity-Based Trust Shares required to be outstanding at the time of commencement of trading on the Exchange.

(2) Continued Listing. Following the initial twelve (12) month period following commencement of trading on the Exchange of Commodity-Based Trust Shares, the Exchange will consider the suspension of trading in or removal from listing of such series under any of the following circumstances:

(A) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Commodity-Based Trust Shares for 30 or more consecutive trading days; or

(B) if the Trust has fewer than 50,000 receipts issued and outstanding; or

(C) if the market value of all receipts issued and outstanding is less than \$1,000,000; or

(D) if the value of the underlying commodity is no longer calculated or available on at least a 15-second delayed basis from a source unaffiliated with the sponsor, Trust, custodian or the Exchange or the Exchange stops providing a hyperlink on its Web site to any such unaffiliated commodity value;

(E) if the Indicative Trust Value is no longer made available on at least a 15-second delayed basis; or

(F) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

If the Exchange is trading Commodity-Based Trust Shares pursuant to unlisted trading privileges, it will cease trading the Commodity-Based Trust Shares if the primary listing exchange ceases trading such Shares for any of the above reasons.

Upon termination of a Trust, the Exchange requires that Commodity-Based Trust Shares issued in connection with such entity Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of the Trust falls below a specified amount.

(h) Term. The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(i) Trustee. The following requirements apply:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the primary listing exchange.

(j) Voting. Voting rights shall be as set forth in the applicable Trust prospectus

(k) Limitation on Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying commodity value, the current value of the underlying commodity required to be deposited to the Trust in connection with issuance of Commodity-Based Trust Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction or any error, omission or delay in the reports of transactions in an underlying commodity.

Interpretations and Policies

.01 A Commodity-Based Trust Share is a Trust Issued Receipt that holds a specified commodity deposited with the Trust.

.02 The Exchange will file separate proposals under Section 19(b) of the Exchange Act before trading, either by listing or pursuant to unlisted trading privileges, Commodity-Based Trust Shares.

Rule 14.5. Currency Trust Shares

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Currency Trust Shares that meet the criteria of this Rule 14.5.

(b) Applicability. This rule is applicable only to Currency Trust Shares.

(c) Prospectus Delivery. Members must provide to all purchasers of newly issued Currency Trust Receipts a prospectus for the series of Currency Trust Shares.

(d) Trading Hours. Transactions in Currency Trust Shares will occur during Regular Trading Hours for each series.

(e) Definition. "Currency Trust Shares" mean a security that (i) that is issued by a trust that holds a specified non-U.S. currency deposited with the trust; (ii) when aggregated in some specified minimum number may be surrendered to the trust by the beneficial owner to receive the specified non U.S. currency; and (iii) pays beneficial owners interest and other distributions on the deposited non-U.S. currency, if any, declared and paid by the trust. Currency Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.

(f) Designation of Non-U.S. Currency. The Exchange may trade, pursuant to unlisted trading privileges, Currency Trust Shares that hold a specified non-U.S. currency or currencies. Each

issue of a Currency Trust Share shall be designated as a separate series and shall be identified by a unique symbol.

(g) Initial and Continued Listing. Currency Trust Shares will be listed and traded on the Exchange subject to application of the following criteria:

(1) Initial Listing. The Exchange will establish a minimum number of Currency Trust Shares required to be outstanding at the time of commencement of trading on the Exchange.

(2) Continued Listing. Following the initial twelve (12) month period following commencement of trading on the Exchange of Currency Trust Shares, the Exchange will consider the suspension of trading in or removal from listing of such series under any of the following circumstances:

(A) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Currency Trust Shares for 30 or more consecutive trading days;

(B) if the Trust has fewer than 50,000 Currency Trust Shares issued and outstanding;

(C) if the market value of all Currency Trust Shares issued and outstanding is less than \$1,000,000;

(D) if the value of the applicable non-U.S. currency is no longer calculated or available on at least a 15-second delayed basis from a source unaffiliated with the sponsor, Trust, custodian or the Exchange or the Exchange stops providing a hyperlink on its Web site to any such unaffiliated applicable non-U.S. currency value;

(E) if the Indicative Trust Value is no longer made available on at least a 15-second delayed basis; or

(F) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

If the Exchange is trading Currency Trust Shares pursuant to unlisted trading privileges, it will cease trading the Currency Trust Shares if the primary listing exchange ceases trading such Shares for any of the above reasons.

Upon termination of a Trust, the Exchange requires that Currency Trust Shares issued in connection with such entity Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of the Trust falls below a specified amount.

(h) Term. The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(i) Trustee. The following requirements apply:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the primary listing exchange.

(j) Voting. Voting rights shall be as set forth in the applicable Trust prospectus.

(k) Limitation on Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any applicable non-U.S. currency value, the current value of the applicable non-U.S. currency required to be deposited to the Trust in connection with issuance of Currency Trust Shares, net asset value, or any other information relating to the purchase, redemption, or trading of the Currency Trust Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction, or any error, omission or delay in the reports of transactions in an applicable non-U.S. currency.

Interpretations and Policies

.01 A Currency Trust Share is a Trust Issued Receipt that holds a specified non-U.S. currency deposited with the Trust.

.02 The Exchange will file separate proposals under Section 19(b) of the Exchange Act before trading, either by listing or pursuant to unlisted trading privileges, Currency Trust Shares.

Rule 14.6. Partnership Units

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Partnership Units that meet the criteria of this Rule 14.6.

(b) Definitions. The following terms as used in the Rule shall, unless the context otherwise requires, have the meanings herein specified:

(1) Commodity. The term "commodity" is defined in Section 1(a)(4) of the Commodity Exchange Act.

(2) Partnership Units. The term "Partnership Units" for purposes of this Rule means a security (a) that is issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities and/or securities; and (b) that is issued and redeemed daily in specified aggregate amounts at net asset value.

(c) Designation. The Exchange may list and trade Partnership Units based on an underlying asset, commodity or security. Each issue of a Partnership Unit shall be designated as a separate series and shall be identified by a unique symbol.

(d) Trading Hours. Transactions in Partnership Units will occur during Regular Trading Hours for each series.

(e) Initial and Continued Listing. Partnership Units will be listed and/or traded on the Exchange subject to application of the following criteria:

(1) Initial Listing. The Exchange will establish a minimum number of Partnership Units required to be outstanding at the time of commencement of trading on the Exchange.

(2) Continued Listing. The Exchange will consider removing from listing Partnership Units under any of the following circumstances:

(A) if following the initial twelve (12) month period following the commencement of trading of Partnership Units, (i) the partnership has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Partnership Units for 30 or more consecutive trading days; (ii) if the partnership has fewer than 50,000 Partnership Units issued and outstanding; or (iii) if the market value of all Partnership Units issued and outstanding is less than \$1,000,000;

(B) if the value of the underlying benchmark investment, commodity or asset is no longer calculated or available on at least a 15-second delayed basis or the Exchange stops providing a hyperlink on its website to any such investment, commodity, or asset value;

(C) if the Indicative Partnership Value is no longer made available on at least a 15-second delayed basis; or

(D) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

If the Exchange is trading Partnership Units pursuant to unlisted trading privileges, it will cease trading the Partnership Units if the primary listing exchange ceases trading such Units for any of the above reasons.

Upon termination of a partnership, the Exchange requires that Partnership Units issued in connection with such partnership be removed from Exchange listing. A partnership will terminate in accordance with the provisions of the partnership prospectus.

(f) Term. The stated term of the partnership shall be as stated in the prospectus. However, such entity may be terminated under such earlier circumstances as may be specified in the Partnership prospectus.

(g) General Partner. The following requirements apply:

(1) The general partner of a partnership must be an entity having substantial capital and surplus and the experience and facilities for handling partnership business. In cases where, for any reason, an individual has been appointed as general partner, a qualified entity must also be appointed as general partner.

(2) No change is to be made in the general partner of a listed issue without prior notice to and approval of the primary listing exchange.

(h) Voting. Voting rights shall be as set forth in the applicable partnership prospectus.

(i) Limitation of Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying asset or commodity value, the current value of the underlying asset or commodity if required to be deposited to the partnership in connection with issuance of Partnership Units, net asset value, or other information relating to the purchase, redemption or trading of Partnership Units, resulting from any negligent act or omission by the Exchange or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction, or any error, omission or delay in the reports of transactions in an underlying asset or commodity.

(j) The Exchange will file separate proposals under Section 19(b) of the Exchange Act before listing and trading separate and distinct Partnership Units designated on different underlying investments, commodities and/or assets.

Interpretations and Policies

.01 The Exchange requires Members to provide to all purchasers of newly issued Partnership Units a prospectus for the series of Partnership Units.

Rule 14.7. Equity Index-Linked Securities, Commodity-Linked Securities and Currency-Linked Securities

The Exchange will consider listing and/or trading equity index-linked securities (“Equity Index-Linked Securities”), commodity-linked securities (“Commodity-Linked Securities”) and currency-linked securities (“Currency-Linked Securities” and, together with Equity Index-Linked Securities and Commodity-Linked Securities, “Index-Linked Securities”) that in each case meet the applicable criteria of this Rule 14.7. Equity Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance of an underlying index or indexes of equity securities. The payment at maturity with respect to Commodity-Linked Securities and Currency-Linked Securities is based on (i) in the case of Commodity-Linked Securities, one or more physical commodities or commodity futures, options or other commodity derivatives or Commodity-Based Trust Shares (as defined in Rule 14.4) or a basket or index of any of the foregoing (the “Commodity Reference Asset”), or (ii) in the case of Currency-Linked Securities, one or more currencies, or options or currency futures or other currency derivatives or Currency Trust Shares (as defined in Rule 14.5) or a basket or index of any of the foregoing (the “Currency Reference Asset”). Index-Linked Securities may or may not

provide for the repayment of the original principal investment amount. The Exchange may submit a rule filing pursuant to Section 19(b)(2) of the Exchange Act to permit the listing and/or trading of Index-Linked Securities that do not otherwise meet the standards set forth below in paragraphs (a) through (i).

The Exchange will consider for listing and/or trading pursuant to Rule 19b-4(e) under the Exchange Act, securities under this Rule 14.7 provided the following criteria are met.

(a) Issuer Listing Standards. The issuer must be an entity that:

(1) If the issuer is a company listed on the New York Stock Exchange, NYSE Arca, American Stock Exchange, or NASDAQ Stock Market, the entity must be a company in good standing (i.e., meets the continued listing criteria of such exchange).

(2) If not listed, the issuer must meet the following criteria:

(A) The issuer shall have assets in excess of \$100 million and stockholders' equity of at least \$10 million. In the case of an issuer which is unable to satisfy the earnings criteria set forth in (ii) below, the Exchange generally will require the issuer to have the following: (x) assets in excess of \$200 million and stockholders' equity of at least \$10 million; or (y) assets in excess of \$100 million and stockholders' equity of at least \$20 million.

(B) The issuer's pre-tax income from continuing operations shall substantially exceed \$750,000 in its last fiscal year, or in two of its last three fiscal years. (Sovereign issuers will be evaluated on a case-by-case basis.)

(3) Either:

(A) Has a minimum tangible net worth of \$250 million (if the Index-Linked Securities are fully and unconditionally guaranteed by an affiliate of the issuer, the Exchange will rely on such affiliate's tangible net worth for purposes of this requirement); or

(B) Has a minimum tangible net worth of \$150 million and the original issue price of the Index-Linked Securities, combined with all of the issuer's other Index-Linked Securities listed on a national securities exchange or otherwise publicly traded in the United States, is not greater than 25 percent of the issuer's tangible net worth at the time of issuance (if the Index-Linked Securities are fully and unconditionally guaranteed by an affiliate of the issuer, the Exchange will apply the provisions of this paragraph to such affiliate instead of the issuer and will include in its calculation all Index-Linked Securities that are fully and unconditionally guaranteed by such affiliate).

(4) Is in compliance with Rule 10A-3 under the Exchange Act.

(b) Issue Listing Standards. The issue must:

(1) Have a minimum public distribution of at least 1 million units, except if the Index-Linked Security is traded in thousand dollar denominations.

(2) Have at least 400 holders, except if the Index-Linked Securities are redeemable at the option of the holders thereof on at least a weekly basis or the Index-Linked Security is traded in thousand dollar denominations.

(3) Have a principal amount/aggregate market value of not less than \$4 million.

(4) Have a minimum term of one (1) year but not greater than thirty (30) years.

(5) Be the non-convertible debt of the issuer.

(6) Not base its payment at maturity on a multiple of the negative performance of an underlying index or indexes, Commodity Reference Asset or Currency Reference Asset, as the case may be, although the payment at maturity may or may not provide for a multiple of the positive performance of an underlying index or indexes, Commodity Reference Asset or Currency Reference Asset, as the case may be. In addition, the issue must meet one of the criteria set forth in (c), (d) or (e) below.

(c) Equity Index-Linked Securities Listing Standards.

(1) Initial Listing. The Exchange will consider listing Equity Index-Linked Securities that meet the requirements of this subparagraph (c), where the payment at maturity is based on an index or indexes of equity securities. The issue must meet the following initial listing criteria:

(A) Each underlying index is required to have at least ten (10) component securities of different issuers.

(B) The index or indexes to which the security is linked shall either (i) have been reviewed and approved for the trading of investment company units or options or other derivatives by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements for non-U.S. stocks, continue to be satisfied, or (ii) the index or indexes meet the following criteria:

(i) Each component security has a minimum market value of at least \$75 million, except that for each of the lowest dollar weighted component securities in the index that in the aggregate account for no more than 10% of the dollar weight of the index, the market value can be at least \$50 million;

(ii) Each component security shall have trading volume in each of the last six months of not less than 1,000,000 shares per month, except that for each of the lowest dollar weighted component securities in the index that in the aggregate account for no more than 10% of the dollar weight of the index, the trading volume shall be at least 500,000 shares per month in each of the last six months;

(iii) Indexes based upon the equal-dollar or modified equal dollar weighting methodology will be rebalanced at least quarterly;

(iv) In the case of a capitalization weighted index or modified capitalization weighted index, the lesser of the five highest dollar weighted component securities in the index or the highest dollar weighted component securities in the index that in the aggregate represent at least 30% of the total number of component securities in the index, each have an average monthly trading volume of at least 2,000,000 shares over the previous six months;

(v) No underlying component security will represent more than 25% of the dollar weight of the index, and the five highest dollar weighted component securities in the index will not in the aggregate account for more than 50% of the weight of the index (60% for an index consisting of fewer than 25 component securities);

(vi) 90% of the index's dollar weight and at least 80% of the total number of component securities will meet the then current criteria for standardized options trading on a national securities exchange; and

(vii) All component securities shall be either (A) securities (other than foreign country securities and American Depositary Receipts ("ADRs")) that are (i) issued by a Exchange Act reporting company which is listed on a national securities exchange and (ii) an "NMS stock" (as defined in Rule 600 of SEC Regulation NMS) or (B) be foreign country securities or ADRs, provided that foreign country securities or foreign country securities underlying ADRs having their primary trading market outside the United States on foreign trading markets that are not members of the Intermarket Surveillance Group or parties to comprehensive surveillance sharing agreements with the Exchange will not in the aggregate represent more than 20% of the dollar weight of the index.

(2) Continued Listing. The issue must meet the following continued listing criteria:

(A) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described in (c)(1) above are not continuously maintained, except that:

(i) the criteria that no single component represent more than 25% of the dollar weight of the index and the five highest dollar weighted components in the index can not represent more than 50% (or 60% for indexes with less than 25 components) of the dollar weight of the index, need only be satisfied for capitalization weighted, modified capitalization weighted and price weighted indexes as of the first day of January and July in each year;

(ii) the total number of components in the index may not increase or decrease by more than 33-1/3% from the number of components in the index at the time of its initial listing, and in no event may be less than ten (10) components;

(iii) the trading volume of each component security in the index must be at least 500,000 shares for each of the last six months, except that for each of the lowest dollar weighted components in the index that in the aggregate account for no more than 10% of the dollar weight of the index, trading volume must be at least 400,000 shares for each of the last six months; and

(iv) in a capitalization weighted index or modified capitalization weighted index, the lesser of the five highest weighted component securities in the index or the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of stocks in the index have had an average monthly trading volume of at least 1,000,000 shares over the previous six months.

(B) In connection with an Equity Index-Linked Security that is listed pursuant to Rule 14.7, the Exchange will commence delisting or removal proceedings if an underlying index or indexes fails to satisfy the maintenance standards or conditions for such index or indexes as set forth by the Commission in its order under Section 19(b)(2) of the Exchange Act approving the index or indexes for the trading of options or other derivatives.

(C) The Exchange will also commence delisting or removal proceedings under any of the following circumstances:

(i) if the aggregate market value or the principal amount of the Equity Index-Linked Securities publicly held is less than \$400,000;

(ii) if the value of the index or composite value of the indexes, if applicable, is no longer calculated or widely disseminated on at least a 15-second basis during the time the Equity Index-Linked Securities trade on the Exchange; or

(iii) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(d) Commodity-Linked Securities Listing Standards.

(1) Initial Listing. The issue must meet the initial listing standard set forth in either (A) or (B) below, and both initial listing standards set forth in (C) and (D) below:

(A) The Commodity Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Commodity Trust Shares or options or other derivatives by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.

(B) The pricing information for each component of a Commodity Reference Asset must be derived from a market which is an Intermarket Surveillance Group ("ISG")

member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement. Notwithstanding the previous sentence, pricing information for gold and silver may be derived from the London Bullion Market Association.

(C) the value of the Commodity Reference Asset must be calculated and widely disseminated on at least a 15-second basis during the time the Commodity-Linked Securities trade on the Exchange; and

(D) in the case of Commodity-Linked Securities that are periodically redeemable, the indicative value of the subject Commodity-Linked Securities must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the time the Commodity-Linked Securities trade on the Exchange.

(2) Continued Listing. The issue must meet the following continued listing criteria:

(A) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above are not continuously maintained. Notwithstanding the foregoing, an issue will not be delisted for a failure to have comprehensive surveillance sharing agreements, if the Commodity Reference Asset has at least 10 components and the Exchange has comprehensive surveillance sharing agreements with respect to at least 90% of the dollar weight of the Commodity Reference Asset.

(B) The Exchange will also commence delisting or removal proceedings:

(i) If the aggregate market value or the principal amount of the Commodity-Linked Securities publicly held is less than \$400,000;

(ii) The value of the Commodity Reference Asset is no longer calculated or available and a new Commodity Reference Asset is substituted, unless the new Commodity Reference Asset meets the requirements of this Rule 14.7; or

(iii) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(e) Currency-Linked Securities Listing Standards.

(1) Initial Listing. The issue must meet the initial listing standard set forth in either (A) or (B) below, and both initial listing standards set forth in (C) and (D) below:

(A) The Currency Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Currency Trust Shares or options or other derivatives by the Commission under Section 19(b)(2) of the Exchange Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.

(B) The pricing information for each component of a Currency Reference Asset must be (i) the generally accepted spot price for the currency exchange rate in question or (ii) derived from a market which (a) is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement and (b) is the pricing source for components of a Currency Reference Asset that has previously been approved by the Commission.

(C) the value of the Currency Reference Asset must be calculated and widely disseminated on at least a 15-second basis during the time the Currency-Linked Securities trade on the Exchange; and

(D) in the case of Currency-Linked Securities that are periodically redeemable, the indicative value of the subject Currency-Linked Securities must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the time the Currency-Linked Securities trade on the Exchange.

(2) Continued Listing. The issue must meet the following continued listing criteria:

(A) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above is not continuously maintained. Notwithstanding the foregoing, an issue will not be delisted for a failure to have comprehensive surveillance sharing agreements, if the Currency Reference Asset has at least ten (10) components and the Exchange has comprehensive surveillance sharing agreements with respect to at least 90% of the dollar weight of the Currency Reference Asset.

(B) The Exchange will also commence delisting or removal proceedings under any of the following circumstances:

(i) If the aggregate market value or the principal amount of the Currency-Linked Securities publicly held is less than \$400,000;

(ii) If the value of the Currency Reference Asset is no longer calculated or available and a new Currency Reference Asset is substituted, unless the new Currency Reference Asset meets the requirements of this Rule 14.7; or

(iii) If such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(f) Firewalls. If the value of an Index-Linked Security listed under Rule 14.7 is based in whole or in part on an index that is maintained by a broker or dealer, the broker or dealer shall erect a "firewall" around the personnel responsible for the maintenance of such index or who have access to information concerning changes and adjustments to the index, and the index shall be calculated by a third party who is not a broker or dealer. Any advisory committee, supervisory board or similar entity that advises an index licensor or administrator or that makes decisions regarding the index or portfolio composition, methodology and related matters must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, non-public information regarding the applicable index or portfolio.

(g) Index-Linked Securities will be subject to the Exchange's equity trading rules.

(h) Trading Halts.

(1) In the case of Commodity- or Currency-Linked Securities, if the indicative value or the Commodity Reference Asset value or Currency Reference Asset value, as the case may be, applicable to a series of securities is not being disseminated as required, or, in the case of Equity Index-Linked Securities, if the value of the index is not being disseminated as required, the Exchange may halt trading during the day on which such interruption first occurs. If such interruption persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.

(2) With respect to Index-Linked Securities admitted to dealings by the Exchange on an unlisted trading privileges basis, the Exchange will halt trading, in accordance with Rule 14.1(a), if such Index-Linked Security is no longer listed or trading on the primary market.

(A) Surveillance Procedures. The Exchange will implement written surveillance procedures for Index-Linked Securities, including adequate comprehensive surveillance sharing agreements with markets trading in the underlying components, as applicable.

Rule 14.8. Portfolio Depositary Receipts

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Portfolio Depositary Receipts that meet the criteria of this Rule 14.8.

(b) Applicability. This Rule is applicable only to Portfolio Depositary Receipts.

(c) Trading Hours. Transactions in Portfolio Depositary Receipts will occur during Regular Trading Hours for each series.

(d) Definitions.

(1) Portfolio Depositary Receipt. The term "Portfolio Depositary Receipt" means a security:

(A) that is based on a unit investment trust ("Trust") which holds the securities which comprise an index or portfolio underlying a series of Portfolio Depositary Receipts;

(B) that is issued by the Trust in a specified aggregate minimum number in return for a "Portfolio Deposit" consisting of specified numbers of shares of stock plus a cash amount;

(C) that, when aggregated in the same specified minimum number, may be redeemed from the Trust which will pay to the redeeming holder the stock and cash then comprising the "Portfolio Deposit"; and

(D) that pays holders a periodic cash payment corresponding to the regular cash dividends or distributions declared with respect to the component securities of the stock index or portfolio of securities underlying the Portfolio Depositary Receipts, less certain expenses and other charges as set forth in the Trust prospectus.

(2) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Portfolio Depositary Receipts means the Exchange, an institution (including the Trustee for a series of Portfolio Depositary Receipts), or a reporting service designated by the Exchange or by the exchange that lists a particular series of Portfolio Depositary Receipts (if the Exchange is trading such series pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of securities required to be deposited to the Trust in connection with issuance of Portfolio Depositary Receipts; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depositary Receipts, net asset value, or other information relating to the creation, redemption or trading of Portfolio Depositary Receipts.

(e) Designation of an Index or Portfolio. The trading of Portfolio Depositary Receipts based on one or more stock indexes or securities portfolios, whether by listing or pursuant to unlisted trading privileges, shall be considered on a case-by-case basis. The Portfolio Depositary Receipts based on each particular stock index or portfolio shall be designated as a separate series and shall be identified by a unique symbol. The stocks that are included in an index or portfolio on which Portfolio Depositary Receipts are based shall be selected by the Exchange or by such other person as shall have a proprietary interest in and authorized use of such index or portfolio, and may be revised from time to time as may be deemed necessary or appropriate to maintain the quality and character of the index or portfolio.

(f) Initial and Continued Listing and/or Trading. A Trust upon which a series of Portfolio Depositary Receipts is based will be traded on the Exchange, whether by listing or pursuant to unlisted trading privileges, subject to application of the following criteria:

(1) Commencement of Trading. For each Trust, the Exchange will establish a minimum number of Portfolio Depositary Receipts required to be outstanding at the time of commencement of trading on the Exchange.

(2) Continued Trading. Following the initial twelve (12) month period following formation of a Trust and commencement of trading on the Exchange, the Exchange will consider the suspension of trading in or removal from listing of or termination of unlisted trading privileges for a Trust upon which a series of Portfolio Depositary Receipts is based under any of the following circumstances:

(A) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Portfolio Depositary Receipts for 30 or more consecutive trading days; or

(B) if the value of the index or portfolio of securities on which the Trust is based is no longer calculated or available; or

(C) if such other event shall occur or condition exists which is the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

If the Exchange is trading the Portfolio Depositary Receipts pursuant to unlisted trading privileges, it will cease trading the Portfolio Depositary Receipts if the primary listing exchange ceases trading the Portfolio Depositary Receipts for any of the above reasons.

Upon termination of a Trust, the Exchange requires that Portfolio Depositary Receipts issued in connection with such Trust be removed from Exchange listing or have their unlisted trading privileges terminated. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(g) Term. The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(h) Trustee. The trustee must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(i) Voting Rights. Voting rights shall be as set forth in the Trust prospectus. The Trustee of a Trust may have the right to vote all of the voting securities of such Trust.

(j) Provision of Prospectus and Written Description.

(1) In connection with any series of Portfolio Depositary Receipts listed or traded on the Exchange, Members must provide to all purchasers of such series of Portfolio Depositary Receipts a written description of the terms and characteristics of such securities, in a form prepared or approved by the Exchange, not later than the time a confirmation of the first transaction in such security is delivered to such purchaser. In addition, Members must include such a written description with any sales material relating to such series of Portfolio Depositary Receipts that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to such series of Portfolio Depositary Receipts as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the series of Portfolio Depositary Receipts] has been prepared by [Trust name] and is available from your broker or the EDGX EXCHANGE. It is recommended that you obtain and review such circular before purchasing [the series of Portfolio Depositary Receipts]. In addition, upon request you may obtain from your broker a prospectus for [the series of Portfolio Depositary Receipts]."

(2) A Member carrying an omnibus account for a non-Member broker-dealer is required to inform such non-Member that execution of an order to purchase a series of Portfolio Depositary Receipts for such omnibus account will be deemed to constitute agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to Members under this rule.

(3) Upon request of a customer, a Member shall also provide a prospectus for the particular series of Portfolio Depositary Receipts.

(k) Limitation of Exchange Liability.

(1) Neither the Exchange, the Reporting Authority nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value; the current value of the portfolio of securities required to be deposited to the Trust; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depositary Receipts; net asset value; or other information relating to the creation, redemption or trading of Portfolio Depositary Receipts, resulting from any negligent act or omission by the Exchange, or the Reporting Authority, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, or the Reporting Authority, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction, or any error, omission or delay in the reports of transactions in one or more underlying securities.

(l) No Warranties. Neither the Exchange, any affiliate, nor the Reporting Authority makes any express or implied warranty as to results that any person or party may obtain by using (1) any Portfolio Depositary Receipt, or (2) any underlying index or data included therein. The Exchange, its affiliates and Reporting Authority makes no express or implied warranties, and disclaims all warranties of merchantability or fitness for a particular purpose or use, with respect to Portfolio Depositary Receipts or any underlying index or data included therein.

Interpretations and Policies

.01 The Exchange may approve a series of Portfolio Depositary Receipts for trading, whether by listing or pursuant to unlisted trading privileges, pursuant to Rule 19b-4(e) under the Exchange Act, provided each of the following criteria is satisfied:

(a) Eligibility Criteria for Index Components.

(1) Upon the initial listing of a series of Portfolio Depositary Receipts on the Exchange, or if the Exchange is trading the Portfolio Depositary Receipts pursuant to unlisted trading privileges, upon the initial listing on the primary exchange, the component stocks of an index or portfolio underlying such series of Portfolio Depositary Receipts shall meet the following criteria:

(A) Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio shall have a minimum market value of at least \$75 million;

(B) The component stocks shall have a minimum monthly trading volume during each of the last six months of at least 250,000 shares for stocks representing at least 90% of the weight of the index or portfolio;

(C) The most heavily weighted component stock cannot exceed 25% of the weight of the index or portfolio, and the five most heavily weighted component stocks cannot exceed 65% of the weight of the index or portfolio;

(D) The underlying index or portfolio must include a minimum of 13 stocks;
and

(E) All securities in an underlying index or portfolio must be listed on a national securities exchange.

(b) Index Methodology and Calculation.

(1) The index underlying a series of Portfolio Depositary Receipts will be calculated based on either the market capitalization, modified market capitalization, price, equal-dollar or modified equal-dollar weighting methodology;

(2) If the index is maintained by a broker-dealer, the broker-dealer shall erect a “fire wall” around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer; and

(3) The current index value will be disseminated every 15 seconds over the Consolidated Tape Association’s Network B.

(c) Disseminated Information.

(1) The Reporting Authority will disseminate for each series of Portfolio Depositary Receipts an estimate, updated every 15 seconds, of the value of a share of each series. This may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value.

(d) Initial Shares Outstanding.

(1) A minimum of 100,000 shares of a series of Portfolio Depositary Receipts is required to be outstanding at the time of commencement of trading on the Exchange.

(e) Trading Increment.

(1) The minimum trading increment for a series of Portfolio Depositary Receipts shall be \$.01.

(f) Surveillance Procedures.

The Exchange will implement written surveillance procedures for Portfolio Depositary Receipts.

Rule 14.9. Equity-Linked Debt Securities

Equity-Linked Debt Securities (“ELDS”) are limited term non-convertible debt obligations of an issuer where the value of the debt is based, at least in part, on the value of another issuer’s common stock or non-convertible preferred stock. The Exchange may approve ELDS for listing

and/or trading pursuant to Rule 19b-4(e) under the Exchange Act provided that the criteria set out below are satisfied:

(a) ELDS Issuer Listing Standards.

(1) If the issuer is a company listed on the New York Stock Exchange, NYSE Arca, American Stock Exchange, or NASDAQ Stock Market, the entity must be a company in good standing (i.e., meets the continued listing criteria of such exchange).

(2) The ELDS issuer must, in all cases, have either

(A) A minimum tangible net worth of \$250 million; or

(B) A minimum tangible net worth of \$150 million and the original issue price of the ELDS, combined with all of the issuer's other ELDS listed on a national securities exchange or otherwise publicly traded in the United States, may not be greater than 25 percent of the issuer's net worth at the time of issuance.

(b) ELDS Listing Standards. The issue must have:

(1) At least 1 million ELDS outstanding.

(2) At least 400 holders.

(3) An aggregate market value of at least \$4 million.

(4) A minimum life of one year.

(c) Linked Equity Listing Standards.

(1) An equity security on which the value of the debt is based must:

(A) Have either:

(i) a market capitalization of at least \$3 billion and a trading volume of at least 2.5 million shares in the one-year period preceding the listing of the ELDS;

(ii) a market capitalization of at least \$1.5 billion and a trading volume of at least 10 million shares in the one-year period preceding the listing of the ELDS; or

(iii) a market capitalization of at least \$500 million and trading volume of at least 15 million shares in the one-year preceding the listing of the ELDS.

(B) Be issued by a company that has a continuous reporting obligation under the Act, as amended, and be listed on a national securities exchange and be subject to last sale reporting.

(C) Be issued either by:

(i) a U.S. company; or

(ii) a non-U.S. company (including a company that is traded in the United States through American Depositary Receipts (“ADRs”)) if there are at least 2000 holders of the security, and either

(D) the Exchange, or, if the ELDS is to be traded pursuant to unlisted trading privileges, any other national securities exchange that is the primary U.S. market for such security, has in place with the primary exchange in the country where the security is primarily traded (or, in the case of a sponsored ADR, the primary exchange in the home country where the security underlying the ADR is primarily traded) an effective comprehensive surveillance information sharing agreement,

(E) The “Relative U.S. Volume” is at least 50 percent (for purposes of this subsection, the term “Relative U.S. Volume” shall mean the ratio of (i) the combined trading volume, on a share-equivalent basis, of the security and related securities (including ADRs overlying such security) in the United States and in any other market with which the Exchange (for ELDS that are listed on the Exchange) or with which any other national securities exchange that is the primary U.S. market for such ELDS (if the ELDS is to be traded on the Exchange pursuant to unlisted trading privileges) has in place an effective, comprehensive surveillance information sharing agreement to (ii) the world-wide trading volume in such securities, or

(F) During the six months preceding the listing of the ELDS on the Exchange (or for ELDS traded on the Exchange pursuant to unlisted trading privileges, preceding the listing of the ELDS on the primary U.S. market for such security), the following trading volume standards were met:

(i) the combined trading volume of the security (including the security itself, any ADR overlying the security (adjusted on a share equivalent basis) and any other classes of stock related to the underlying security) in the United States is at least 20 percent of the combined world-wide trading volume in the security and in related securities,

(ii) the average daily trading volume for the security (or, if traded in the form of an ADR, the ADR overlying such security) in the U.S. market is 100,000 or more shares, and

(iii) the trading volume for the security (or, if traded in the form of an ADR, the ADR overlying such security) is at least 60,000 per day in the U.S. market on a majority of the trading days during the six-month period.

(d) Limits on Number of ELDS.

(1) The issuance of ELDS relating to any underlying U.S. security may not exceed five percent of the total outstanding shares of such underlying security. The issuance of ELDS relating to any underlying non-U.S. security or sponsored ADR may not exceed:

(A) two percent of the total worldwide outstanding shares of such security if at least 20 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing occurs in the U.S. market;

(B) three percent of the total worldwide outstanding shares of such security if at least 50 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing occurs in the U.S. market; or

(C) five percent of the total worldwide outstanding shares of such security if at least 70 percent of the worldwide trading volume in the security and related securities during the six-month period preceding the date of listing on the Exchange (for ELDS that are listed on the Exchange) or listing on the national securities exchange that is the primary U.S. market for such ELDS (if the ELDS is to be traded on the Exchange pursuant to unlisted trading privileges) occurs in the U.S. market.

If an issuer proposes to issue ELDS that relate to more than the allowable percentages of the underlying security specified in this subsection (d), then the Exchange, in consultation with the Commission, will evaluate the maximum percentage of ELDS that may be issued on a case-by-case basis.

(e) Prior to the commencement of trading of a particular ELDS designated pursuant to this Rule, the Exchange will distribute a circular to its Members providing guidance regarding Member compliance responsibilities (including suitability recommendations and account approval) when handling transactions in ELDSs.

CHAPTER XV. DUES, FEES, ASSESSMENTS AND OTHER CHARGES; EFFECTIVE DATE

Rule 15.1. Authority to Prescribe Dues, Fees, Assessments and Other Charges

(a) Generally. The Exchange may prescribe such reasonable dues, fees, assessments or other charges as it may, in its discretion, deem appropriate. Such dues, fees, assessments and charges may include membership dues, transaction fees, communication and technology fees, regulatory charges, listing fees, and other fees and charges as the Exchange may determine. All such dues, fees and charges shall be equitably allocated among Members, issuers and other persons using the Exchange's facilities.

(b) Regulatory Transaction Fee. Under Section 31 of the Act, the Exchange must pay certain fees to the Commission. To help fund the Exchange's obligations to the Commission under Section 31, this Regulatory Transaction Fee is assessed to Members. To the extent there may be any excess monies collected under this Rule, the Exchange may retain those monies to help fund its general operating expense. Each Member engaged in executing transactions on the Exchange shall pay, in such manner and at such times as the Exchange shall direct, a Regulatory Transaction Fee equal to (i) the rate determined by the Commission to be applicable to covered sales occurring on the Exchange in accordance with Section 31 of the Act multiplied by (ii) the Member's aggregate dollar amount of covered sales occurring on the Exchange during any computational period.

(c) Schedule of Fees. The Exchange will provide Members with notice of all relevant dues, fees, assessments and charges of the Exchange. Such notice may be made available to Members on the Exchange's website or by any other method deemed reasonable by the Exchange.

**Exhibit B - EDGX F1A2
German Resolution**

FORM OF GERMAN PARENT CORPORATE RESOLUTIONS

WHEREAS, on December 19, 2007, International Securities Exchange Holdings, Inc. (“**ISE Holdings**”) became a wholly-owned subsidiary of U.S. Exchange Holdings, Inc., a wholly-owned subsidiary of Eurex Frankfurt AG (the “**Merger**”);

WHEREAS, in connection with the Merger, the Corporation and the members of this [Supervisory Board/Executive Board] adopted resolutions, attached hereto as Exhibit A, on [], 2007, relating to the ongoing activities of International Securities Exchange, LLC (“**ISE**”)¹ (the “**ISE Resolutions**”);

WHEREAS, on December 23, 2008, the Corporation’s indirect subsidiary, ISE Holdings, became a 31.54% owner in Direct Edge Holdings LLC, a Delaware limited liability company (“**DE Holdings**”);

WHEREAS, DE Holdings has filed two Form 1 applications (collectively, the “**Applications**”) with the U.S. Securities and Exchange Commission (“**SEC**”) seeking registration of two national securities exchanges, EDGA Exchange, Inc. and EDGX Exchange, Inc. (each a “**DE Exchange**”), under Section 6 of the Securities Exchange Act of 1934, as amended (“**Exchange Act**”);

WHEREAS, in connection with the approval by the SEC of the Applications, the Corporation is required to make certain resolutions with respect to the ongoing activities of each DE Exchange in the same manner and extent as the ISE Resolutions;

WHEREAS, the Corporation and the members of this [Supervisory Board/Executive Board] hereby desire to supplement the ISE Resolutions so that the ISE Resolutions apply to each DE Exchange, in the same manner and to the same extent as the ISE Resolutions apply to ISE;

WHEREAS, ISE Resolutions continue to remain in full force and effect and shall not be limited in any way by supplementing the ISE Resolutions pursuant to these resolutions (this “**Addendum**”); and

WHEREAS, the Corporation and the members of this [Supervisory Board/Executive Board] hereby acknowledge that the resolutions made in this Addendum are made specifically in connection with the Applications (and the Corporation’s indirect ownership and voting interests in each DE Exchange) and the ongoing activities of each DE Exchange and are not intended to limit any duty or obligation of any Person², under law or otherwise.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

¹ See Securities and Exchange Commission Release No. 56955 (December 13, 2007), 72 FR 71979 (December 19, 2007) (SR-ISE-2007-101).

² As used in these resolutions, the term “**Person**” shall mean an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

(1) The ISE Resolutions, which shall remain in full force and effect, are hereby incorporated by reference herein, in their entirety;

(2) The ISE Resolutions are hereby supplemented to apply to each DE Exchange in the same manner and to the same extent as the ISE Resolutions apply to ISE. In that regard:

(a) The Corporation hereby agrees to the provisions in resolutions 1-6 (inclusive), resolution 9, and resolution 10 of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange;

(b) Each member of this [Supervisory Board/Executive Board] hereby agrees, and the Corporation shall take reasonable steps necessary to cause each person who becomes a member of this [Supervisory Board/Executive Board] after the date of these resolutions to agree, in writing to the provisions in resolutions 7(a)-7(f) (inclusive) of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange; and

(c) The Corporation shall take reasonable steps necessary to cause each of its officers and employees who are involved in the activities of a DE Exchange to agree, in writing to the provisions in resolutions 8(a)-8(e) (inclusive) of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange.

(3) Notwithstanding any provision of the foregoing resolutions or the ISE Resolutions, before: (a) any amendment to or repeal of any provision of this or any of the foregoing resolutions or the ISE Resolutions; or (b) any action by the Corporation that would have the effect of amending or repealing any provision of this or any of the foregoing resolutions or the ISE Resolutions shall be effective, the same shall be submitted to the board of directors of each DE Exchange, and if the same must be filed with, or filed with and approved by, the SEC before the same may be effective, under Section 19 of the Exchange Act and the rules promulgated thereunder, then the same shall not be effective until filed with, or filed with and approved by, the SEC, as the case may be.

FORM OF GERMAN PARENT CORPORATE RESOLUTIONS

WHEREAS, the [Corporation] [Corporation's indirect subsidiary, Eurex Frankfurt AG ("**Eurex Frankfurt**")] is a party to that certain Agreement and Plan of Merger dated as of April 30, 2007 (the "**Merger Agreement**") among Eurex Frankfurt, Ivan Acquisition Co. (the "**Merger Sub**") and International Securities Exchange Holdings, Inc. ("**ISE Holdings**"), pursuant to which the parties thereto have agreed to the merger of the Merger Sub with and into ISE Holdings on the terms and subject to the conditions set forth in the Merger Agreement ("**Merger**"), as a result of which Merger the sole stockholder of ISE Holdings will be U.S. Exchange Holdings, Inc., a wholly-owned subsidiary of Eurex Frankfurt;

WHEREAS, ISE Holdings is the sole member of International Securities Exchange, LLC ("**ISE, LLC**"), which is registered with the U.S. Securities and Exchange Commission ("**SEC**") as a national securities exchange;

WHEREAS, ISE Holdings is subject to Ownership Limits and Voting Limits, as such terms are defined in Article FOURTH, Section III of the Certificate of Incorporation of ISE Holdings;

WHEREAS, the completion of the Merger is subject to approval by the SEC of a proposed rule change filed by ISE, LLC (the "**Rule Filing**") under Section 19 of the U.S. Securities Exchange Act of 1934 ("**Exchange Act**");

WHEREAS, the Corporation is required to make certain resolutions in connection with the Merger that will become part of the Rule Filing and will be subject to SEC approval under Section 19 of the Exchange Act; and

WHEREAS, the Corporation and the members of this [Supervisory Board/Executive Board] hereby acknowledge that said resolutions are made specifically in connection with the Merger and the ongoing activities of ISE, LLC and are not intended to limit any duty or obligation of any Person (as defined in paragraph (4) below), under law or otherwise;

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

(1) The Corporation shall, in connection with its involvement in the activities of ISE, LLC, comply with the U.S. federal securities laws and the rules and regulations thereunder and shall cooperate: (a) with the SEC; and (b) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority.

(2) The Corporation shall, to the extent that it is involved in the activities of ISE, LLC, be deemed to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC (and shall be deemed to agree that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding), and

shall be deemed to waive, and agree not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that it is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency.

(3) For so long as the Corporation shall directly or indirectly control ISE, LLC: (a) the books, records, officers, directors (or equivalent) and employees of the Corporation shall be deemed to be the books, records, officers, directors and employees of ISE, LLC for purposes of and subject to oversight pursuant to the U.S. Securities Exchange Act of 1934 (“Exchange Act”) to the extent that such books and records are related to, or such officers, directors (or equivalent) and employees are involved in, the activities of ISE, LLC; and (b) the Corporation’s books and records related to the activities of ISE, LLC shall at all times be made available for inspection and copying by the SEC and ISE, LLC.

(4) The Corporation shall take reasonable steps necessary to cause ISE Holdings to be in compliance with the Ownership Limits and the Voting Limits. For so long as the Corporation shall directly or indirectly control ISE, LLC, if any Person, at any time, either alone or together with its related persons, owns (whether by acquisition or by a change in the number of shares outstanding), of record or beneficially, all as would be determined under Sections 21 and 22 of the German Securities Trading Act, each as may be amended from time to time, whether directly or indirectly, 20%, 25%, 30%, 50%, or 75% or more of the then-outstanding shares of stock in the Corporation entitled to vote on any matter, the Corporation shall, as soon as practicable, give written notice of such ownership to the board of directors of ISE, LLC and to ISE Trust, a statutory trust formed under the laws of the State of Delaware of the United States of America, as provided in that certain Trust Agreement, dated as of [•], 2007, among U.S. Exchange Holdings, Inc., ISE Holdings, Inc., [•], as Delaware Trustee, [•], as Trustee, [•], as Trustee and [•], as Trustee, which notice shall state: (a) such Person’s full legal name; (b) such Person’s title or status and the date on which such title or status was acquired; (c) such Person’s approximate ownership interest in the Corporation; and (d) whether such Person has the power, directly or indirectly, to direct the management or policies of the Corporation, whether through ownership of securities, by contract or otherwise. As used in these resolutions, the term “Person” shall mean an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

(5) The Corporation shall, to the extent it is involved in the activities of ISE, LLC, give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and shall not take any actions that would interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act.

(6) To the fullest extent permitted by applicable law, all confidential information that shall come into the possession of the Corporation pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC

shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by the Corporation and the officers, directors (or equivalent), employees, and agents of the Corporation; and (c) not be used for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of any officers, directors, employees, or agents of the Corporation to disclose such confidential information to the SEC or ISE, LLC.

(7) Each member of this [Supervisory Board/Executive Board] hereby agrees, and the Corporation shall take reasonable steps necessary to cause each person who becomes a member of this [Supervisory Board/Executive Board] after the date of these resolutions to agree, in writing:

(a) that, in discharging his or her responsibilities as a member of this [Supervisory Board/Executive Board], such member shall, in connection with such member's involvement in the activities of ISE, LLC: (i) comply with the U.S. federal securities laws and the rules and regulations thereunder; and (ii) cooperate (A) with the SEC, and (B) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority;

(b) to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC, to the extent such member is involved in the activities of ISE, LLC, and that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding, and such member waives, and agrees not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that such member is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency;

(c) that such member is deemed to be a director of ISE, LLC for purposes of and subject to oversight pursuant to the Exchange Act to the extent that such member is involved in the activities of ISE, LLC;

(d) to give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and not to take any actions that would interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act;

(e) that, to the fullest extent permitted by applicable law, all confidential information that shall come into the possession of such member pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters,

trading data, trading practices and audit information) contained in the books and records of ISE, LLC shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such member; and (c) not be used by such member for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such member to disclose such confidential information to the SEC or ISE, LLC; and

(f) that, in discharging his or her responsibilities as a member of this [Supervisory Board/Executive Board], to the extent such member is involved in the activities of ISE, LLC and to the fullest extent permitted by applicable law, such member will take into consideration the effect that the Corporation's actions would have on the ability of:

(i) ISE, LLC to carry out its responsibilities under the Exchange Act; and

(ii) ISE, LLC and the Corporation: (A) to engage in conduct that fosters and does not interfere with the ability of ISE, LLC and the Corporation to prevent fraudulent and manipulative acts and practices in the securities markets; (B) to promote just and equitable principles of trade in the securities markets; (C) to foster cooperation and coordination with Persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities; (D) to remove impediments to and perfect the mechanisms of a free and open market in securities and a U.S. national securities market system; and (E) in general, to protect investors and the public interest.

(8) The Corporation shall take reasonable steps necessary to cause each of its officers and employees who are involved in the activities of ISE, LLC to agree, in writing:

(a) that, in discharging such officer's or employee's responsibilities as an officer or employee of the Corporation, in connection with such officer's or employee's involvement in the activities of ISE, LLC, such officer or employee will: (i) comply with the U.S. federal securities laws and the rules and regulations thereunder; and (ii) cooperate (A) with the SEC, and (B) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority;

(b) to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC to the extent that such officer or employee is involved in the activities of ISE, LLC, and that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding, and that such officer or employee waives, and agrees not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that such officer or employee is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency;

(c) that such officer or employee is deemed to be an officer or employee of ISE, LLC for purposes of and subject to oversight pursuant to the Exchange Act to the extent that such officer or employee is involved in the activities of ISE, LLC;

(d) to give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and not to take any actions that would interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act; and

(e) that, to the fullest extent permitted by applicable law, all confidential information that shall come into the possession of such officer or employee pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such officer or employee; and (c) not be used by such officer or employee for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such officer or employee to disclose such confidential information to the SEC or ISE, LLC.

(9) The Corporation shall take reasonable steps to cause each of its agents that is involved in the activities of ISE, LLC and could come into the possession of any confidential information pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC to agree that, to the fullest extent permitted by applicable law, all such confidential information shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such agent; and (c) not be used by such agent for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such agent to disclose such confidential information to the SEC or ISE, LLC.

(10) The Corporation shall take reasonable steps necessary to cause its agents that are involved in the activities of ISE, LLC to cooperate: (a) with the SEC; and (b), where applicable, ISE, LLC pursuant to its regulatory authority.

(11) Notwithstanding any provision of the foregoing resolutions, before: (a) any amendment to or repeal of any provision of this or any of the foregoing resolutions; or (b) any action by the Corporation that would have the effect of amending or repealing any provision of this or any of the foregoing resolutions shall be effective, the same shall be submitted to the board of directors

of ISE, LLC, and if the same must be filed with, or filed with and approved by, the SEC before the same may be effective, under Section 19 of the Exchange Act and the rules promulgated thereunder, then the same shall not be effective until filed with, or filed with and approved by, the SEC, as the case may be.

Exhibit B - EDGX F1A2
Swiss Resolution

FORM OF SWISS PARENT CORPORATE RESOLUTIONS

WHEREAS, on December 19, 2007, International Securities Exchange Holdings, Inc. (“**ISE Holdings**”) became a wholly-owned subsidiary of U.S. Exchange Holdings, Inc., a wholly-owned subsidiary of Eurex Frankfurt AG (the “**Merger**”);

WHEREAS, in connection with the Merger, the Corporation and the members of this [Board of Directors/Executive Board] adopted resolutions, in the form as attached hereto as Annex A, on [], 2007, relating to the ongoing activities of International Securities Exchange, LLC (“**ISE**”)¹ (the “**ISE Resolutions**”);

WHEREAS, on December 23, 2008, the Corporation’s indirect subsidiary, ISE Holdings, became a 31.54% owner in Direct Edge Holdings LLC, a Delaware limited liability company (“**DE Holdings**”);

WHEREAS, DE Holdings’ direct subsidiaries, EDGA Exchange, Inc. and EDGX Exchange, Inc. (each a “**DE Exchange**”), have each filed a Form 1 application (collectively, the “**Applications**”) with the U.S. Securities and Exchange Commission (“**SEC**”) seeking registration of a national securities exchange, under Section 6 of the Securities Exchange Act of 1934, as amended (“**Exchange Act**”);

WHEREAS, in connection with the approval by the SEC of the Applications, the Corporation is required to make certain resolutions with respect to the ongoing activities of each DE Exchange in the same manner and extent as the ISE Resolutions;

WHEREAS, the Corporation and the members of this [Board of Directors/Executive Board] hereby desire to supplement the ISE Resolutions so that the ISE Resolutions apply to each DE Exchange, in the same manner and to the same extent as the ISE Resolutions apply to ISE;

WHEREAS, ISE Resolutions continue to remain in full force and effect and shall not be limited in any way by supplementing the ISE Resolutions pursuant to these resolutions (this “**Addendum**”); and

WHEREAS, the Corporation and the members of this [Board of Directors/Executive Board] hereby acknowledge that the resolutions made in this Addendum are made specifically in connection with the Applications (and the Corporation’s indirect ownership and voting interests in each DE Exchange) and the ongoing activities of each DE Exchange and are not intended to limit any duty or obligation of any Person², under law or otherwise.

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

¹ See Securities and Exchange Commission Release No. 56955 (December 13, 2007), 72 FR 71979 (December 19, 2007) (SR-ISE-2007-101).

² As used in these resolutions, the term “**Person**” shall mean an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

- (1) The ISE Resolutions, which shall remain in full force and effect, are hereby incorporated by reference herein, in their entirety³;
- (2) The ISE Resolutions are hereby supplemented to apply to each DE Exchange in the same manner and to the same extent as the ISE Resolutions apply to ISE. In that regard:
 - (a) The Corporation hereby agrees to the provisions in resolutions 1-6 (inclusive), resolution 9, and resolution 10 of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange;
 - (b) Each member of this [Board of Directors/Executive Board] hereby agrees, and the Corporation shall take reasonable steps necessary to cause each person who becomes a member of this [Board of Directors/Executive Board] after the date of these resolutions to agree, in writing to the provisions in resolutions 7(a)-7(f) (inclusive) of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange; and
 - (c) The Corporation shall take reasonable steps necessary to cause each of its officers and employees who are involved in the activities of a DE Exchange to agree, in writing to the provisions in resolutions 8(a)-8(e) (inclusive) of the ISE Resolutions, except that any reference to ISE, LLC shall be read to reference each DE Exchange.
- (3) Notwithstanding any provision of the foregoing resolutions or the ISE Resolutions, before: (a) any amendment to or repeal of any provision of this or any of the foregoing resolutions or the ISE Resolutions; or (b) any action by the Corporation that would have the effect of amending or repealing any provision of this or any of the foregoing resolutions or the ISE Resolutions shall be effective, the same shall be submitted to the board of directors of each DE Exchange, and if the same must be filed with, or filed with and approved by, the SEC before the same may be effective, under Section 19 of the Exchange Act and the rules promulgated thereunder, then the same shall not be effective until filed with, or filed with and approved by, the SEC, as the case may be.

³ It being understood that any references to the Swiss Federal Banking Commission ("SFBC") are to be read in reference to its regulatory successor, the Swiss Financial Market Supervisory Authority ("FINMA"), as from January 1, 2009.

FORM OF SWISS PARENT CORPORATION RESOLUTIONS

WHEREAS, the [Corporation's subsidiary, Eurex Frankfurt AG ("**Eurex Frankfurt**")] [Corporation's indirect subsidiary, Eurex Frankfurt AG ("**Eurex Frankfurt**")] is a party to that certain Agreement and Plan of Merger dated as of April 30, 2007 (the "**Merger Agreement**") among Eurex Frankfurt, Ivan Acquisition Co. (the "**Merger Sub**") and International Securities Exchange Holdings, Inc. ("**ISE Holdings**"), pursuant to which the parties thereto have agreed to the merger of the Merger Sub with and into ISE Holdings on the terms and subject to the conditions set forth in the Merger Agreement ("**Merger**"), as a result of which Merger the sole stockholder of ISE Holdings will be U.S. Exchange Holdings, Inc., a wholly-owned subsidiary of Eurex Frankfurt;

WHEREAS, ISE Holdings is the sole member of International Securities Exchange, LLC ("**ISE, LLC**"), which is registered with the U.S. Securities and Exchange Commission ("**SEC**") as a national securities exchange;

WHEREAS, ISE Holdings is subject to Ownership Limits and Voting Limits, as such terms are defined in Article FOURTH, Section III of the Certificate of Incorporation of ISE Holdings;

WHEREAS, the completion of the Merger is subject to approval by the SEC of a proposed rule change filed by ISE, LLC (the "**Rule Filing**") under Section 19 of the U.S. Securities Exchange Act of 1934 ("**Exchange Act**");

WHEREAS, the Corporation is required to make certain resolutions in connection with the Merger that will become part of the Rule Filing and will be subject to SEC approval under Section 19 of the Exchange Act; and

WHEREAS, the Corporation and the members of this [Board of Directors/Executive Board] hereby acknowledge that said resolutions are made specifically in connection with the Merger and the ongoing activities of ISE, LLC and are not intended to limit any duty or obligation of any Person (as defined in paragraph (4) below), under law or otherwise;

NOW, THEREFORE, IT IS HEREBY RESOLVED THAT:

(1) The Corporation shall, in connection with its involvement in the activities of ISE, LLC, comply with the U.S. federal securities laws and the rules and regulations thereunder and shall cooperate: (a) with the SEC; and (b) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority. Where necessitated by Swiss law, the Corporation shall provide information related to the activities of ISE, LLC, including books and records of the Corporation related to the activities of ISE, LLC, to the SEC promptly, through the Swiss Federal Banking Commission ("**SFBC**"). Oral exchanges between the Corporation and the SEC related to the activities of ISE, LLC shall include the participation of the SFBC, where necessitated by Swiss law. These procedures collectively shall be referred to as the "**SFBC procedure**."

(2) The Corporation shall, to the extent that it is involved in the activities of ISE, LLC, be deemed to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC (and shall be deemed to agree that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding), and shall be deemed to waive, and agree not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that it is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency.

(3) For so long as the Corporation shall directly or indirectly control ISE, LLC: (a) the books, records, officers, directors (or equivalent) and employees of the Corporation shall be deemed to be the books, records, officers, directors and employees of ISE, LLC for purposes of and subject to oversight pursuant to the U.S. Securities Exchange Act of 1934 (“Exchange Act”) to the extent that such books and records are related to, or such officers, directors (or equivalent) and employees are involved in, the activities of ISE, LLC; and (b) the Corporation’s books and records related to the activities of ISE, LLC shall at all times be made available for inspection and copying by the SEC and ISE, LLC subject, where necessitated by Swiss law, to the SFBC procedure.

(4) The Corporation shall take reasonable steps necessary to cause ISE Holdings to be in compliance with the Ownership Limits and the Voting Limits. For so long as the Corporation shall directly or indirectly control ISE, LLC, if any Person, at any time, either alone or together with its related persons, owns (whether by acquisition or by a change in the number of shares outstanding), of record or beneficially, all as would be determined under Section 20 of the Swiss Federal Act on Stock Exchanges and Securities Trading and Section 9 of the Swiss Federal Banking Commission’s Ordinance on Stock Exchanges and Securities Trading, each as may be amended from time to time, whether directly or indirectly, 20%, 33 ⅓%, 45%, 50%, or 66 ⅔% or more of the then-outstanding shares of stock in the Corporation entitled to vote on any matter, the Corporation shall, as soon as practicable, give written notice of such ownership to the board of directors of ISE, LLC and to ISE Trust, a statutory trust formed under the laws of the State of Delaware of the United States of America, as provided in that certain Trust Agreement, dated as of [•], 2007, among U.S. Exchange Holdings, Inc., ISE Holdings, Inc., [•], as Delaware Trustee, [•], as Trustee, [•], as Trustee and [•], as Trustee, which notice shall state: (a) such Person’s full legal name; (b) such Person’s title or status and the date on which such title or status was acquired; (c) such Person’s approximate ownership interest in the Corporation; and (d) whether such Person has the power, directly or indirectly, to direct the management or policies of the Corporation, whether through ownership of securities, by contract or otherwise. As used in these resolutions, the term “Person” shall mean an individual, partnership (general or limited), joint stock company, corporation, limited liability company, trust or unincorporated organization, or any governmental entity or agency or political subdivision thereof.

(5) The Corporation shall, to the extent it is involved in the activities of ISE, LLC, give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and shall not take any actions that would

interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act.

(6) To the fullest extent permitted by applicable law, all confidential information that shall come into the possession of the Corporation pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by the Corporation and the officers, directors (or equivalent), employees, and agents of the Corporation; and (c) not be used for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of any officers, directors, employees, or agents of the Corporation to disclose such confidential information to the SEC or ISE, LLC subject, where necessitated by Swiss law, to the SFBC procedure.

(7) Each member of this [Board of Directors/Executive Board] hereby agrees, and the Corporation shall take reasonable steps necessary to cause each person who becomes a member of this [Board of Directors/Executive Board] after the date of these resolutions to agree, in writing:

(a) that, in discharging his or her responsibilities as a member of this [Board of Directors/Executive Board], such member shall, in connection with such member's involvement in the activities of ISE, LLC: (i) comply with the U.S. federal securities laws and the rules and regulations thereunder; and (ii) cooperate (A) with the SEC, and (B) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority. Where necessitated by Swiss law, such member shall provide information related to the activities of ISE, LLC pursuant to the SFBC procedure;

(b) to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC, to the extent such member is involved in the activities of ISE, LLC, and that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding, and such member waives, and agrees not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that such member is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency;

(c) that such member is deemed to be a director of ISE, LLC for purposes of and subject to oversight pursuant to the Exchange Act to the extent that such member is involved in the activities of ISE, LLC;

(d) to give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and not to take any actions that would interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act;

(e) that, to the fullest extent permitted by applicable law, all confidential information that shall come into the possession of such member pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such member; and (c) not be used by such member for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such member to disclose such confidential information to the SEC or ISE, LLC subject, where necessitated by Swiss law, to the SFBC procedure; and

(f) that, in discharging his or her responsibilities as a member of this [Board of Directors/Executive Board], to the extent such member is involved in the activities of ISE, LLC and to the fullest extent permitted by applicable law, such member will take into consideration the effect that the Corporation's actions would have on the ability of:

(i) ISE, LLC to carry out its responsibilities under the Exchange Act; and

(ii) ISE, LLC and the Corporation: (A) to engage in conduct that fosters and does not interfere with the ability of ISE, LLC and the Corporation to prevent fraudulent and manipulative acts and practices in the securities markets; (B) to promote just and equitable principles of trade in the securities markets; (C) to foster cooperation and coordination with Persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities; (D) to remove impediments to and perfect the mechanisms of a free and open market in securities and a U.S. national securities market system; and (E) in general, to protect investors and the public interest.

(8) The Corporation shall take reasonable steps necessary to cause each of its officers and employees who are involved in the activities of ISE, LLC to agree, in writing:

(a) that, in discharging such officer's or employee's responsibilities as an officer or employee of the Corporation, in connection with such officer's or employee's involvement in the activities of ISE, LLC, such officer or employee will: (i) comply with the U.S. federal securities laws and the rules and regulations thereunder; and (ii) cooperate (A) with the SEC, and (B) with ISE, LLC pursuant to, and to the extent of, ISE, LLC's regulatory authority. Where necessitated by Swiss law, such officer or employee shall provide information related to the activities of ISE, LLC pursuant to the SFBC procedure;

(b) to irrevocably submit to the jurisdiction of the United States federal courts and the SEC for the purposes of any suit, action or proceeding pursuant to the United States federal securities laws, and the rules or regulations thereunder, commenced or initiated by the SEC arising out of, or relating to, the activities of ISE, LLC to the extent that such officer or employee is involved in the activities of ISE, LLC, and that ISE Holdings may serve as the U.S. agent for purposes of service of process in such suit, action or proceeding, and that such officer or employee waives, and agrees not to assert by way of motion, as a defense or otherwise in any such suit, action or proceeding, any claims that such officer or employee is not personally subject to the jurisdiction of the SEC, that such suit, action or proceeding is an inconvenient forum or that the venue of such suit, action or proceeding is improper, or that the subject matter thereof may not be enforced in or by such courts or agency;

(c) that such officer or employee is deemed to be an officer or employee of ISE, LLC for purposes of and subject to oversight pursuant to the Exchange Act to the extent that such officer or employee is involved in the activities of ISE, LLC;

(d) to give due regard to the preservation of the independence of the self-regulatory function of ISE, LLC and to its obligations to investors and the general public, and not to take any actions that would interfere with the effectuation of any decisions by the board of directors of ISE, LLC relating to its regulatory responsibilities (including enforcement and disciplinary matters) or that would interfere with the ability of ISE, LLC to carry out its responsibilities under the Exchange Act; and

(e) that, to the fullest extent permitted by applicable law, all confidential information that shall come into the possession of such officer or employee pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such officer or employee; and (c) not be used by such officer or employee for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such officer or employee to disclose such confidential information to the SEC or ISE, LLC subject, where necessitated by Swiss law, to the SFBC procedure.

(9) The Corporation shall take reasonable steps to cause each of its agents that is involved in the activities of ISE, LLC and could come into the possession of any confidential information pertaining to the self-regulatory function of ISE, LLC (including but not limited to confidential information regarding disciplinary matters, trading data, trading practices and audit information) contained in the books and records of ISE, LLC to agree that, to the fullest extent permitted by applicable law, all such confidential information shall: (a) not be made available to any Persons other than to those officers, directors (or equivalent), employees and agents of the Corporation that have a reasonable need to know the contents thereof; (b) be retained in confidence by such agent; and (c) not be used by such agent for any commercial purposes, *provided, however*, that nothing in these resolutions shall be interpreted so as to limit or impede: (i) the rights of the SEC

or ISE, LLC to have access to and examine such confidential information pursuant to the U.S. federal securities laws and the rules and regulations thereunder; or (ii) the ability of such agent to disclose such confidential information to the SEC or ISE, LLC subject, where necessitated by Swiss law, to the SFBC procedure.

(10) The Corporation shall take reasonable steps necessary to cause its agents that are involved in the activities of ISE, LLC to cooperate: (a) with the SEC; and (b), where applicable, ISE, LLC pursuant to its regulatory authority.

(11) Notwithstanding any provision of the foregoing resolutions, before: (a) any amendment to or repeal of any provision of this or any of the foregoing resolutions; or (b) any action by the Corporation that would have the effect of amending or repealing any provision of this or any of the foregoing resolutions shall be effective, the same shall be submitted to the board of directors of ISE, LLC, and if the same must be filed with, or filed with and approved by, the SEC before the same may be effective, under Section 19 of the Exchange Act and the rules promulgated thereunder, then the same shall not be effective until filed with, or filed with and approved by, the SEC, as the case may be.

**Exhibit E - EDGX F1A2
FIX Specifications**



Next Gen FIX Specifications

Version 1.0

September 22, 2009

Produced by:

Direct Edge

545 Washington Blvd, Jersey City NJ 07310

www.directedge.com

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Chapter 1 About this Document

This document provides guidelines for accessing all of the Direct Edge Stock Exchange platforms. It contains information regarding FIX connectivity and provides formats for submitting orders to the EDGX Exchange, EDGA Exchange, and MidPoint Match® Dark Pool.

1.1 Summary of Changes

A history of significant changes to this template is described in the table below.

Issue	Prepared By	Date	Changes
1.0	Bill Ciabattoni	Sept 22, 2009	First Version

Chapter 2. Overview

2.1 Hours of Operation

EDGX and EDGA Exchanges

Session	Start Time	End Time
Begin Order Acceptance – Pre-Market Orders <i>(Pre-Market orders will be accepted but will not begin trading until 8:00 AM.)</i>	7:00 AM	8:00 AM
Begin Order Acceptance – Regular Session Orders <i>(Regular Session orders will be accepted but will not begin trading until 9:30 AM.)</i>	7:00 AM	9:30 AM
Pre-Market Session	8:00 AM	9:30 AM
Regular Trading Session	9:30 AM	4:00 PM
Post Market Session	4:00 PM	8:00 PM

MidPoint Match Dark Pool

Session	Start Time	End Time
Begin Order Acceptance <i>(Midpoint Match orders will be accepted but will not begin trading until 9:30 AM.)</i>	7:00 AM	9:30 AM
Regular Trading Session	9:30 AM	4:00 PM

2.2. Contact Information

Department	Email Address	Phone
Market Operations/FIX Support	ecnops@directedge.com	201-942-8220
Sales	sales@directedge.com	866-472-5267
Finance and Billing	billing@directedge.com	201-942-8247

2.3. Connectivity and Testing

New order routing connections must pass certification testing before they are permitted to enter the production marketplace. Please call 201-942-8220 for more information.

Chapter 3. Supported Message Formats

Each FIX message will be preceded by the standard header and followed by the standard trailer.

3.1 Standard Header

A standard header precedes each message.

Note: The fields that are not included in the table are ignored by Direct Edge.

Tag	Field name	Required	Description
8	BeginString	Y	Supports FIX 4.2 (See FIX Protocol Specifications for more details.)
9	BodyLength	Y	Must be the second field in the message. (See FIX Protocol Specifications for more details.)
35	MsgType	Y	Must be the third field in the message. 0 = HeartBeat 1 = TestRequest 2 = Resend/Request 3 = Reject 4 = SequenceReset 5 = Logout 8 = ExecutionReport 9 = OrderCancelReject A = Logon D = NewOrderSingle F = OrderCancelRequest G = OrderCancelReplaceRequest j = BusinessMessageReject
49	SenderCompID	Y	ID of message sender as assigned by Direct Edge. (TargetCompID for messages sent from Direct Edge)
56	TargetCompID	Y	Clients should always set to "EDGX" or "EDGA". (SenderCompID for messages sent from Direct Edge.)
34	MsgSeqNum	Y	Message Sequence Number (See FIX Protocol Specifications for more details.)
50	SenderSubID	N	For Service Bureau use only. Enter End-Client ID as assigned by Direct Edge when sending order to Direct Edge.
57	TargetSubID	N	For Service Bureau use only. End-Client ID on messages sent from Direct Edge.
43	PossDupFlag	N	Conditional field. This field is required for resend messages. (See FIX Protocol Specifications for more details.)

97	PossResend	N	Indicates possible retransmission of message under a new sequence number.
52	SendingTime	Y	GMT Date/Time message was sent.
122	OrigSendingTime	N	Conditional field. This field is required for resend messages. If the data is not available, set the field to the same value as SendingTime.

3.2. Standard Trailer

A standard trailer terminates each message.

Note: The fields that are not included in the table are ignored by Direct Edge.

Tag	Field name	Required	Comments
10	Checksum	Y	Three-digit character. (See FIX Protocol Specifications for more details.)

3.3. Using the SenderSubID field to Route Orders

It is possible to route orders to Direct Edge on behalf of multiple members over a single FIX connection using the SenderSubID field (tag 50).

This feature is useful for service bureaus which are not Direct Edge members, but can route orders on behalf of Direct Edge members.

For a service bureau to route an order:

1. Direct Edge assigns a SenderSubID value to the service bureau.
The value is based on the Direct Edge acronym for the member.
2. The service bureau opens one connection to the Direct Edge FIX engine.

3.4. Administrative Messages

3.4.1. Logon – From Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	A
108	HeartBtInt	Y	Client Heartbeat Interval (in seconds)

3.4.2. Logon – Response From Direct Edge

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	A

108	HeartBtInt	Y	Client Heartbeat Interval (in seconds)
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3.4.3. HeartBeat – From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	0
112	TestReqID	N	Required in response to a Test Request

3.4.4. TestRequest – From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	1
112	TestReqID	Y	Auto-Generated Request ID

3.4.5. ResendRequest – From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	2
7	BeginSeqNo	Y	
16	EndSeqNo	Y	0 means + infinity

3.4.6. Reject – From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	3
45	RefSeqNum	Y	MsgSeqNo of Rejected Message
371	RefTagID	N	
372	RefMsgType	N	
373	SessionRejectReason	N	
58	Text	N	

3.4.7. SequenceReset/GapFill - From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	4
36	NewSeqNo	Y	Next Expected Sequence Number
123	GapFillFlag	N	The use of "Y" is required for common re-sequencing. 'N' is not recommended and should only be used in emergency situations that require manual intervention. 'N' causes the SeqNo of the SequenceReset message to be ignored,

			creating a high possibility of message loss.
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3.4.8. Logout – From Direct Edge and Member

Tag	Field Name	Req'd	Comments/ Valid values
35	MsgType	Y	5
58	Text	N	Indicates reason for Logout.

3.5. Order Entry Messages

3.5.1. New Order Single – From Member to Direct Edge

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = D
1	Account	N	Sent by client and returned on all Execution reports for this order. (20 character maximum)
11	ClOrdID	Y	Unique identifier of the order assigned by the client. (20 character maximum)
198	SecondaryOrderID	N	Secondary Order ID can be sent by clients and will be returned on all Execution Reports. (20 character maximum)
60	TransactTime	Y	Time of order creation.
55	Symbol	Y	Ticker Symbol
65	SymbolSfx	N	Stock Suffix (see Appendix A for Direct Edge Symbology)
54	Side	Y	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Y	Number of shares in the order.
111	MaxFloor	N	Displayed order quantity on a Reserve Order. A MaxFloor quantity of 0 will indicate a fully Hidden Order.
8020	DisplayRange	N	Used for random replenishment of Reserve Orders. See section 4.2 for details.
110	MinQty	N	Minimum Execution Quantity (Applicable to Hidden order types and IOC orders only)
9500	MinQtyInstruction	N	Used in conjunction with MinQty(110): E = Each Execution (Default) F = First Execution Only

40	OrdType	Y	1 = Market 2 = Limit 3 = Stop 4 = Stop Limit P = Pegged
44	Price	N	Limit Price Required for limit orders (tag 40 = 2). For Market orders, the price field shall be ignored. Optional Cap price for Pegged Orders.
99	StopPx	N	Required if OrdType (tag 40) is equal to 3 or 4.
388	DiscretionInst	N	Code to identify the price a Discretion Offset is related to and should be mathematically added to. Valid value is: 0 = Related to displayed price
389	DiscretionOffset	N	Amount (signed) added to the "related to" price specified via DiscretionInst (tag 388). Valid values: -.99 through .99
9800	AbsoluteLimit	N	Y = Absolute Limit on Pegged Discretionary order If selected, the discretionary amount will decrease as pegged order approaches its Cap price. Pegged Discretionary orders with Absolute Limit selected will never be executed at a higher price than the Cap price.
59	TimeInForce	N	0 = Day (Default) 3 = IOC 4 = FOK 6 = Good Till Time (GTT) - Time must be specified in field 126
126	Expire Time	N	GMT Time (for GTT orders only)
9206	ExtedHrsEligible	N	Y = Pre-Market and Regular Session Eligible A = Regular Session and Post Market Eligible B = All Sessions Eligible If tag 9206 is not present, all orders will default to Regular Session eligible only.
18	Execlnst	N	Valid Values: f = ISO R = Primary Peg P = Market Peg M = Midpoint Peg (valid for EDGA only) o = NOOP (Nasdaq Opening) Direct Edge will reject order if multiple values are entered in this field.
211	PegDifference	N	Valid values: -0.99 thru 0.99
840	PegScope	N	2 = National
9140	DisplayInstruction	N	Y = Displayed (Default) N = Hidden (same as MaxFloor = 0)

9202	SpecialOrdType	N	<p>M = Midpoint Match (see section 4.9 for details)</p> <p>Re-pricing Options: S = Hide Not Slide (Default for Book Only or Post Only orders) P = Price Adjust R = Single Re-Price C = Cancel Back</p> <p>See section 4.8 for descriptions of each re-pricing option.</p>
9303	RoutingInst	N	<p>Y = Routable (Default if not specified) N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only) S = Super Aggressive - Cross or Lock (Order will be removed from book and routed to any quote that is crossing or locking the order) X = Aggressive - Cross only (Order will be removed from book and routed to any quote that is crossing)</p>
9350	RoutDeliveryMethod	N	<p>RTC = Route to Comply (Default if not specified) RTI = Route to Improve RTF = Route to Fill</p> <p><i>Route to Comply:</i> Sweep tops of Protected Markets up to or including the order's limit price for the displayed size. Any remainder will post to the EDGX/EDGA book.</p> <p><i>Route to Improve:</i> Ability to receive price improvement will take priority over speed of execution.</p> <p><i>Route to Fill:</i> Speed of execution will take priority over potential price improvement.</p>

9400	RoutStrategy	N	<p>ROUT = Book + ELPs + Street (Default if not specified)</p> <p>ROUD= Book + Dark Pings (No IOIs)</p> <p>ROUE = Book + Dark Pings (No IOIs) + Street</p> <p>ROUX = Book + Street</p> <p>ROUZ = Book + ELPs</p> <p>ROUQ = Book + ELPs (IOIs only)</p> <p>RDOT = Book + ELPs + DOT</p> <p>RDOX = Book + DOT (No ELPs)</p> <p>ROPA = Book + IOC ARCA</p> <p>ROBA = Book + IOC BATS</p> <p>ROBX = Book + IOC Nasdaq BX</p> <p>ROUC = Book + ELPs + Nasdaq BX + DOT + Posts to EDGX</p> <p>ROLF = Book + LavaFlow</p> <p>INET = Book + Nasdaq</p> <p>IOCT = EDGA/X Book + ELPs+ Other EDGA/X Book</p> <p>IOCX = EDGA/X Book + Other EDGA/X Book</p> <p>ISAM = Directed ISO routed to AMEX</p> <p>ISPA = Directed ISO routed to ARCA</p> <p>ISBA = Directed ISO routed to BATS</p> <p>ISBX = Directed ISO routed to Nasdaq BX</p> <p>ISCB = Directed ISO routed to CBSX</p> <p>ISCX = Directed ISO routed to CHSX</p> <p>ISCN = Directed ISO routed to NSX</p> <p>ISGA = Directed ISO routed to EDGA</p> <p>ISGX = Directed ISO routed to EDGX</p> <p>ISLF = Directed ISO routed to LavaFlow</p> <p>ISNQ = Directed ISO routed to Nasdaq</p> <p>ISNY = Directed ISO routed to NYSE</p> <p>ISPX = Directed ISO routed to PHLX</p> <p>ISTR = Directed ISO routed to TRAC</p>
47	OrderCapacity	Y	<p>A = Agency</p> <p>P = Principal</p> <p>R = Riskless Principal</p>
114	LocateReqd	N	<p>For Sell Short orders only.</p> <p>N = Client affirms ability to borrow. (Default if not specified)</p> <p>Y = Client cannot affirm ability to borrow.</p> <p>All orders with LocateReqd=Y will be rejected by Direct Edge.</p>
58	Text	N	Free Format Text String
	Standard Trailer	Y	

3.5.2. Execution Report – From Direct Edge to Member

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = 8
17	ExecID	Y	Unique Identifier of the execution report message

			generated by Direct Edge.
19	ExecRefID	N	Reference identifier used with Trade Cancel and Trade Correct execution types.
18	ExecInst	N	Same as original order.
20	ExecTransType	Y	Identifies Transaction Type. Valid values are: 0 = New 1 = Cancel (Busted Trade) 2 = Correct (Adjusted Trade)
150	ExecType	Y	Valid Values: 0 = New 1 = Partially Filled 2 = Filled 4 = Canceled 5 = Replace 6 = Pending Cancel 8 = Rejected C = Expired D = Restated E = Pending Replace
11	CIOrdID	Y	CIOrdID of the original order.
41	OrigCIOrdID	Y	Original CIOrdID of the initial order.
37	OrderID	Y	Direct Edge assigned order ID.
198	SecondaryOrderID	N	Same as original order.
76	ExecBroker	N	MPID from the Direct Edge Database.
439	ClearingFirm	N	Firm that will clear trade.
1	Account	N	Sent by client and returned on all Execution Reports.
39	OrdStatus	Y	Current status of the order. Valid values are: 0 = New 1 = Partially Filled 2 = Filled 4 = Canceled 5 = Replaced 6 = Pending Cancel 8 = Rejected C = Expired E = Pending Replace
103	OrdRejReason	Y	0 = Exchange Option 1 = Unknown Symbol 2 = Exchange Closed 3 = Order Exceeds Limit 4 = Too Late To Enter 5 = Unknown Order 6 = Duplicate Order 8 = Stale Order 11 = Unsupported Order Characteristic 13 = Incorrect Quantity 99 = Other
60	TransactTime	Y	Time of execution.

55	Symbol	Y	Same as original order.
65	SymbolSfx	N	Same as original order.
54	Side	Y	Same as original order.
38	OrderQty	Y	The original size of the order.
111	MaxFloor	N	Same as original order.
8020	DisplayRange	N	Same as original order.
110	MinQty	N	Same as original order.
9500	MinQtyInstruction	N	Same as original order.
32	LastShares	Y	Number of shares executed in last fill.
14	CumQty	Y	Currently executed quantity for the order.
151	LeavesQty	Y	Quantity remaining open for further execution. If the OrdStatus (39) is Canceled or Rejected (in which case the order is no longer active) then LeavesQty could be 0, otherwise LeavesQty = OrderQty (38) – CumQty (14).
40	OrdTyp	N	Same as original order.
44	Price	N	Same as original order.
99	StopPX	N	Same as original order.
388	DiscretionInst	N	Same as original order.
389	DiscretionOffset	N	Same as original order.
9800	AbsoluteLimit	N	Same as original order.
31	LastPx	Y	Price of shares executed in last fill.
6	AvgPx	Y	Average Price
59	TimeInForce	N	Same as original order.
126	ExpireTime	N	Same as original order.
211	PegDifference	N	Same as original order.
840	PegScope	N	Same as original order.
9140	DisplayInstruction	N	Same as original order.
9202	SpecialOrdType	N	Same as original order.
9303	RoutingInst	N	Same as original order.
9350	RoutDeliveryMethod	N	Same as original order.
9882	TradeLiquidityIndicator	Y	Liquidity Flag from Execution Liquidity flags may contain up to five characters. See the Direct Edge website for an updated list of all liquidity flags and their associated fees. www.directedge.com
47	OrderCapacity	Y	Same as original order.
58	Text	N	Free Format Text String.
	Standard Trailer	Y	

3.5.3. Order Acknowledgement - From Direct Edge to Member

Message type 8 (Execution Report), with OrderStatus New, will be used for the order acknowledgement. The following table defines the tag values that are specific to the Order Acknowledgement message. In addition to the tags listed below, Direct Edge will return all tags sent on the original order in the Order Acknowledgment message.

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = 8
37	OrderID	Y	Unique identifier assigned by Direct Edge
17	ExecID	Y	Unique identifier assigned by Direct Edge
76	ExecBroker	N	MPID from the Direct Edge Database
439	ClearingFirm	N	Firm that will clear trade
20	ExecTransType	Y	Valid value for acknowledgement: 0 = New
150	ExecType	Y	Valid Value: 0 = New
39	OrdStatus	Y	Current status of the order. Valid Value: 0=New
14	CumQty	Y	"0" on acknowledgement
151	LeavesQty	Y	Full order qty on acknowledgement
6	AvgPx	Y	"0.00" on acknowledgement

3.5.4. Reject Order Message – From Direct Edge to Member

Message type 8 (Execution Report) is used for the order reject. The following table defines the tag values used in the reject order message. In addition to the tags listed below, Direct Edge will return all tags sent on the original order in the Reject Order message.

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = 8
20	ExecTransType	Y	Identified Transaction Type. Valid value for reject order: 0 = New
150	ExecType	Y	Valid Value: 8 = Rejected
39	OrdStatus	Y	Current status of the order. For reject order, the valid value is 8=Rejected.
58	Text	N	Rejection Reason
103	OrdRejReason	Y	Code to identify reason for order rejection. Valid values: 0 = Broker / Exchange option 1 = Unknown symbol 2 = Exchange closed 3 = Order exceeds limit 4 = Too late to enter 5 = Unknown Order 6 = Duplicate Order (e.g. dupe ClOrdID (11)) 8 = Stale Order 11 = Unsupported order characteristic 13 = Incorrect quantity 99 = Other
151	LeavesQty	Y	0 (zero) for Rejected Order.

3.6. Order Cancel Messages

3.6.1 Order Cancel Request – From Member to Direct Edge

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = F
11	ClOrdID	Y	Unique identifier of the cancel request assigned by the originator.
41	OrigClOrdID	Y	ClOrdID of the order to be cancelled.
60	TransactTime	N	The time request was sent.
55	Symbol	Y	Must be same as the original order.
65	SymbolSfx	N	Must be same as the original order.
54	Side	Y	Must be same as the original order.
18	ExecInst	N	Must be same as the original order.
58	Text	N	Free Format Text String.
	Standard Trailer	Y	

3.6.2 Order Cancel/Replace Request - From Member to Direct Edge

Direct Edge supports FIX Cancel and Replace orders but limits changes to the following FIX fields:

Tag	Field Name	Comments
38	Quantity	May be increased or decreased. Increased quantities result in lost Orderbook priority.
44	Price	Price may be increased or decreased. All price changes result in lost Orderbook priority
40	OrderType	An order may be converted from a limit order to a market order or a market order to a limit order.
99	Stop Price	The price that will trigger an order election may be changed.
111	Max Floor	The displayed quantity of a Reserve Order may be changed.
211	Peg Difference	The offset amount on a Pegged Order may be changed.
389	Discretionary Offset	The discretionary offset may be changed. This does not impact the displayed price of an order. As such, it has no impact on order book priority.

- Attempts to Cancel/Replace any other criteria not listed above will be ignored by Direct Edge.
- Do not use this message to cancel the remaining quantity of an outstanding order, use the Cancel Request message for this purpose.

- Do not use this message to change special order type characteristics. For example, Cancel/Replace cannot be used to change a Pegged Order into a Reserve Order.
- An Execution Report with ExecType=Pending Replace will be sent unless the Order Modification Request can be immediately accepted (ExecutionRpt with ExecType=Replaced) or rejected (Order Cancel Reject message).
- The Cancel/Replace request will only be accepted if the original order can be successfully removed. Requests which cannot be processed will be rejected using the Cancel Reject message. The Cancel Reject message will provide the ClOrdID and OrigClOrdID values which were specified on the Cancel/Replace Request message for identification.
- Direct Edge checks the following fields to make sure that they match the original order - if they do not, Direct Edge will reject the Order Modification Request: Symbol, Side, Execlnst, TimelnForce.
- Tag 9202 is required for MPM order modification.

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = G
11	ClOrdID	Y	Unique identifier of this order modification request assigned by the client. Note that this identifier will be used in ClOrdID field of the Cancel Reject message if the modification request is rejected.
41	OrigClOrdID	Y	ClOrdID of the order to be modified. This is not the original order of the day.
18	Execlnst	N	Must be same as the original order.
22	IdSource	N	
37	OrderId	N	As previously supplied by Direct Edge on the Order Acknowledgment of the Order to be modified.
60	TransactTime	Y	The time request was sent.
55	Symbol	Y	Must be same as the original order.
65	SymbolSfx	N	Must be same as the original order.
54	Side	Y	Must be same as the original order.
38	OrderQty	Y	Should be the "Total Intended Order Quantity" (including the amount already executed for this order chain).
111	MaxFloor	N	
40	OrdType	Y	Can only change from Market to Limit, or Limit to Market on Cancel/Replace message. Otherwise, it should be same as original order.
44	Price	Y	
99	StopPx	N	
389	DiscretionaryOffset	N	
59	TimelnForce	N	Must be same as the original order.
211	PegDifference	N	
9202	SpecialOrdType	N	Must be same as the original order.
9206	ExtedHrsEligible	N	Required for Pre- and Post-Market Eligible Market Orders.

			Y = Pre-Market Eligible A = Post Market Eligible B = Eligible for both Pre-Market and Post-Market
47	OrderCapacity	Y	A = Agency P = Principal R = Riskless Principal
58	Text	N	Free Format Text String.
	Standard Trailer	Y	

3.6.3 Accept/Process Cancel - From Direct Edge to Member

The following table defines the tag values used in the accepted/ processed cancel message.

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = 8
20	ExecTransType	Y	Identified Transaction Type. Valid value for execution report: 0 = New
150	ExecType	Y	Valid Values: 4 = Cancelled
17	ExecID	Y	Unique Identifier of this message generated by Direct Edge.
18	ExecInst	N	Same as original order.
11	ClOrdID	Y	Unique identifier of the cancel request assigned by the originator.
41	OrigClOrdID	Y	ClOrdID of the original order to be cancelled.
37	OrderID	Y	Unique identifier for the order. Represents the originating/initial order in an order chain.
198	SecondaryOrderID	N	Same as original order.
1	Account	N	Same as original order.
39	OrdStatus	Y	Valid Value: 4 = Cancelled
6	AvgPx	Y	Calculated average price of all fills or partial fills on this order. 0 if no fills have occurred.
38	OrderQty	Y	The original size of the order.
14	CumQty	Y	Currently executed quantity for the order.
151	LeavesQty	Y	0
55	Symbol	Y	Same as original order.
65	SymbolSfx	N	Same as original order.
54	Side	Y	Same as original order.
40	OrdTyp	N	Same as original order.
44	Price	N	Same as original order.
59	TimInForce	N	Same as original order.
126	ExpireTime	N	Same as original order.

9202	SpecialOrdType	N	Same as original order.
9400	RoutStrategy	N	Same as original order.
47	OrderCapacity	N	Same as original order.
58	Text	N	Free Format Text String.
	Standard Trailer	Y	

3.6.4 Order Cancel Reject - From Direct Edge to Member

The following fields shall be supported in an order cancel reject message:

Tag	Field Name	Req'd	Comments/ Valid values
	Standard Header	Y	MsgType = 9
11	CIOrdID	Y	Unique identifier of the cancel reject message.
37	OrderID	Y	Unique identifier for the order. Represents the originating/initial order in an order chain.
39	OrdStatus	Y	Order Status after Cancel Reject.
41	OrigCIOrdID	Y	CIOrdID of the order that cannot be cancelled.
55	Symbol	Y	Same as original order.
65	SymbolSfx	N	Same as original order
102	CxlRejReason	N	Reason for rejection. Valid values are: 0 = Too late to cancel 1 = Unknown order 2 = Exchange/Broker Option 3 = Order already in Pending Cancel status 4 = Unable to Process Mass Cancel Request 6 = Duplicate CIOrdID 99 = Other
434	CxlRejResponseTo	Y	1 = This reject is in response to Cancel Request 2 = This reject is in response to a Cancel/Replace Request
58	Text	N	Reason for rejecting the request.
	Standard Trailer	Y	

Chapter 4. Order Types

The following provides clarifying information that will enable members to successfully enter orders on the Direct Edge Stock Exchange.

This is not meant to be an exhaustive list of all FIX tags that accompany that order type but an effort to identify the key required tags.

4.1 Regular Order

This is the standard order type for the EDGX or EDGA platforms.

FIX Tag	Description	Supported Values
54	Side	1 = Buy 2 = Sell 5 = Sell Short
8	OrderQty	Total Order Quantity
40	OrdType	1 = Market 2 = Limit
44	Price	Required if tag 40 =2
59	TimeInForce	0 = Day (Default) 3 = IOC 4 = FOK 6 = Good Till Time (GTT)
126	Expire Time	GMT Time (Required for GTT orders)
9303	RoutingInst	Y = Routable (Default if not specified) N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only) S = Super Aggressive - Cross or Lock (Order will be removed from book and routed to any quote that is crossing or locking the order) X = Aggressive - Cross only (Order will be removed from book and routed to any quote that is crossing)
9350	RoutDeliveryMethod	RTC = Route to Comply (Default if not specified) RTI = Route to Improve RTF = Route to Fill
9400	RoutStrategy	See Tag 9400 in Section 4.6.1 for available strategies.

4.2. Reserve Order

Reserve orders are orders having both a displayed quantity and a non-visible, reserve

quantity that is replenished when the displayed quantity is fully executed. The display quantity must be at least one round lot.

Users may specify the precise amount of the order to be replenished once the displayed size is fully executed. Alternatively, they may elect a Random Replenishment option by supplying Display Range on the order. Random Replenishment establishes a range of possible values for the shares that are to be displayed. For example, if MaxFloor = 2000 and the Display Range = 200, the displayed quantity will be selected randomly from any of the following values: 1800, 1900, 2000, 2100 and 2200.

FIX Tag	Description	Supported Values
54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Total Order Quantity
111	MaxFloor	Display Quantity
8020	DisplayRange	Required for Random Reserve Orders. This is the Random Replenishment amount in round lots.
40	OrdType	2 = Limit
44	Price	
59	TimeInForce	0 = Day (Default) 6 = GTT
126	Expire Time	GMT Time (Required for GTT orders)
9303	RoutingInst	Y = Routable (Default if not specified) N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only) S = Super Aggressive - Cross or Lock (Order will be removed from book and routed to any quote that is crossing or locking the order) X = Aggressive - Cross only (Order will be removed from book and routed to any quote that is crossing)
9350	RoutDeliveryMethod	RTC = Route to Comply (Default if not specified) RTI = Route to Improve RTF = Route to Fill
9400	RoutStrategy	See Tag 9400 in Section 4.6.1 for available strategies.

4.3. Discretionary Orders

Discretionary Orders are orders that have both a display price and a hidden (discretionary) price. The discretionary order provides a range of prices at which the owner is willing to trade should an opportunity present itself. The display price determines the order's ranking within the orderbook.

FIX Tag	Description	Supported Values
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54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Total Order Quantity
40	OrdType	2 = Limit
111	MaxFloor	Displayed order quantity on a Reserve Order. A MaxFloor quantity of 0 will indicate a fully Hidden Order.
8020	DisplayRange	Used for random replenishment of Reserve Orders. See section 4.2 for details.
44	Price	This is the display price.
388	DiscretionInst	0 = Related to displayed price Identifies the price a DiscretionOffset is related to and should be added to.
389	DiscretionOffset	Amount (signed) added to the "related to" price specified via DiscretionInst. Valid Values: -0.99 thru 0.99.
59	TimeInForce	0 = Day(Default)
9140	DisplayInstruction	Y = Displayed (Default) N = Hidden (same as MaxFloor = 0) A Hidden Discretionary order will be ranked and hidden at its limit price but can be executed within a specified discretionary price range if necessary.
9202	SpecialOrdType	S = Hide Not Slide (Default for Book Only or Post Only orders) P = Price Adjust R = Single Re-price C = Cancel Back (Cancels if order Locks/Crosses)
9303	RoutingInst	Y = Routable (Default if not specified) N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only) S = Super Aggressive - Cross or Lock (Order will be removed from book and routed to any quote that is crossing or locking the order) X = Aggressive - Cross only (Order will be removed from book and routed to any quote that is crossing)
9350	RoutDeliveryMethod	RTC = Route to Comply (Default if not specified) RTI = Route to Improve RTF = Route to Fill
9400	RoutStrategy	See Tag 9400 in Section 4.6.1 for available strategies.

4.4. Pegged Orders

Direct Edge will support three types of Pegged Orders: Primary Pegs, Market Pegs, and Midpoint Pegs (EDGA only). Pegged Orders are not eligible for routing to other market centers.

A Primary Pegged Order is an order whose price tracks the same side of the NBBO (i.e. buy orders track the bid).

A Market Pegged Order is pegged to the opposite side of the market of the NBBO. (i.e. buy orders track the offer).

A Midpoint Pegged Order is a non-displayed order that is pegged to the midpoint of the NBBO. The order type is available on EDGA only.

FIX Tag	Description	Supported Values
18	ExecInst	R = Primary Peg P = Market Peg M = Midpoint Peg (valid for EDGA only)
840	PegScope	2 = National
54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Total Order Quantity
111	MaxFloor	Displayed order quantity on a Reserve Order. A MaxFloor quantity of 0 will indicate a fully Hidden Order.
8020	DisplayRange	Used for random replenishment of Reserve Orders. See section 4.2 for details.
40	OrdType	P = Pegged
44	Price	Optional Cap Price
59	TimeInForce	0 = Day (Default)
211	PegDifference	Offset value. Valid Values: -0.99 thru 0.99 Pegged orders entered with offsets that would create a locked or crossed condition will be either re-priced to a penny away from the locking price or canceled back depending what is specified in tag 9202.
59	TimeInForce	0 = Day (Default)
9140	DisplayInstruction	Y = Displayed (Default for Primary and Market Pegs) N = Hidden (Default for Midpoint Pegs; same as MaxFloor = 0)
9202	SpecialOrdType	R = Re-Price (Default – Pegged orders will continually re-priced to avoid locking or crossing as necessary) C = Cancel Back (Cancels if order Locks/Crosses)
9303	RoutingInst	N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only)

4.5. Pegged Discretionary Order

A Pegged Discretionary order is an order whose price is pegged to the NBBO price. It also has a discretionary price component.

FIX Tag	Description	Supported Values
18	ExecInst	R = Primary Peg P = Market Peg M = Midpoint Peg (valid for EDGA only)
840	PegScope	2 = National
54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Total Order Quantity
40	OrdType	P = Pegged
44	Price	This is the optional Cap price.
388	DiscretionInst	0 = Related to displayed price. Identifies the price a DiscretionOffset is related to and should be mathematically added to.
389	DiscretionOffset	Amount (signed) added to the "related to" price specified via DiscretionInst. Valid Values: -0.99 thru 0.99:
9800	AbsoluteLimit	Y If selected, the discretionary amount will decrease as pegged order approaches its Cap price. Pegged Discretionary orders with Absolute Limit selected will never be executed at a higher price than the Cap price.
211	PegDifference	Offset value. Valid Values: -0.99-thru 0.99 Pegged orders entered with offsets that would create a locked or crossed condition will be either re-priced to a penny away from the locking price or canceled back depending what is specified in tag 9202.
59	TimeInForce	0 = Day(Default)
9202	SpecialOrdType	R = Re-price (Default – Pegged orders will continually re-priced to avoid locking or crossing as necessary) C = Cancel Back (Cancels if order Locks/Crosses)
9303	RoutingInst	N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only)

4.6. Stop Order

All Stop orders at Direct Edge will be triggered off of the Last Sale price of the specified security.

Stop: A Stop order is an order that will be held away from the orderbook until its specified trigger price (stop price) is reached. Once the trigger price is reached, the order will be elected (activated). Election results in a Market order sent to the book.

Stop Limit: A Stop Limit order is an order with both a specified limit price and a trigger price. This order is also held outside of the orderbook until the stop price is reached. Once the trigger price is reached, it will be elected. The activated order is sent to the orderbook as a limit order at the specified limit price.

FIX Tag	Description	Supported Values
54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Must be at least one round lot.
40	OrdType	3 = Stop Market 4 = Stop Limit
44	Price	Must be present if tag 40 = 4
99	StopPx	Trigger Price
59	TimeInForce	0 = Day (Default)
9202	SpecialOrdType	S = Hide Not Slide (Default for Book Only or Post Only orders) P = Price Adjust R = Single Re-Price C = Cancel Back (Cancels if order Locks/Crosses)
9303	RoutingInst	Y = Routable (Default if not specified) N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only) S = Super Aggressive - Cross or Lock (Order will be removed from book and routed to any quote that is crossing or locking the order) X = Aggressive - Cross only (Order will be removed from book and routed to any quote that is crossing)
9350	RoutDeliveryMethod	RTC = Route to Comply (Default if not specified) RTI = Route to Improve RTF = Route to Fill <i>Route to Comply:</i> Sweep tops of Protected Markets up to or including the order's limit price for the displayed size. Any remainder will post to the EDGX/EDGA book. <i>Route to Improve:</i> Ability to receive price improvement will take priority over speed of execution. <i>Route to Fill:</i> Speed of execution will take priority over potential price improvement.
9400	RoutStrategy	See Tag 9400 in New Order Single for available strategies.

4.7. Intermarket Sweep Orders (ISO)

An Intermarket Sweep Order is an order type introduced in conjunction with Reg NMS. This order type allows the receiving exchange to immediately execute an order against any resting orders without checking other Market Centers for better prices. It conveys that the broker has taken responsibility for sending orders directly to Market Centers to access their better-priced, posted quotes.

FIX Tag	Description	Supported Values
18	ExecInst	f (lower case F)
54	Side	1 = Buy 2 = Sell 5 = Sell Short
38	OrderQty	Total Order Quantity
40	OrdType	2 = Limit
44	Price	
59	TimeInForce	0 = Day 3 = IOC
9303	RoutingInstructions	N = Book Only (Not routable but will remove from EDGX/A book) P = Post Only (Not Routable/Add Liquidity Only)

4.8. Re-Priced Orders

Under Reg NMS, exchanges must avoid posting orders that intentionally lock or cross other protected market center quotes. To comply with this provision of the rule, Direct Edge offers four alternatives for non-routable orders:

- Hide not Slide – If at the time of entry an order locks or crosses an away market quotation, the order will be hidden and ranked at the locking price, but will be displayed one penny away from the locking price. The displayed price will be adjusted to the ranked price as soon as market conditions permit.
- Price Adjust – If at the time of entry an order locks or crosses an away market quotation, the order will be displayed and ranked one penny away from the locking price. If market conditions allow the order to be displayed at the original locking price, it will be moved to that price.
- Single Re-Price – If at the time of entry an order locks or crosses an away market quotation, the order will be displayed and ranked one penny away from the locking price. This is a one time re-pricing of the order.
- Cancel Back – If at the time of entry an order locks or crosses an away market quotation, the order will be immediately canceled back to the member.

Tag	Field Name	Comments/ Valid values
9202	SpecialOrdType	S = Hide Not Slide (Default for Book Only or Post Only orders) P = Price Adjust R = Single Re-Price C = Cancel Back (Cancels if order Locks/Crosses)

4.9. MidPoint Match Order (EDGX Only)

MidPoint Match (MPM) orders are non-displayed orders that always match at the market midpoint provided the limit price is not exceeded. MPM may be for any size greater than or equal to one round lot.

MPM Order Attributes:

FIX Tag	Description	Supported Values
9202	SpecialOrderType	M = MPM Order
54	Side	1 = Buy 2 = Sell 5 = Sell Short
40	OrdType	1 = Market 2 = Limit
44	Price	Boundary Price: Not to be exceeded when executing at the NBBO midpoint.
38	OrderQty	Total Order Quantity
110	MinQty	Minimum Execution Quantity
9500	MinQtyInstruction - with MinQty(110)	E = Each Execution (Default) F = First Execution Only
59	TimeInForce	0 = Day(Default) 3 = IOC 4 = FOK

Chapter 5. Drop Copy

Drop copies are available from Direct Edge in two different forms:

- Partial Drop Copy - Executions, Busts, and Corrections only
- Full Drop Copy – All outbound messages from Direct Edge in response to an order

All drop copy messages will contain the same information that was sent to the order originator. In addition to that information, a Session ID indicator (Tag 9600) will be included on all messages.

Chapter 6. Appendices

6.1 Appendix A: Direct Edge Symbology

For Tape A and B securities, Direct Edge supports the use of CMS symbol suffixes.

Suffixes may be added to the end of a symbol and entered entirely in Tag 55 (symbol) or the symbol and suffix may be broken out between Tag 55 and Tag 65 (symbol suffix).

Tape C securities do not require use of suffixes or Tag 65.

The table below describes all Direct Edge supported suffixes for Tape A and B securities.

Symbol Type	SIAC Suffix (Not Supported)	Comstock Suffix (Not Supported)	CMS / Direct Edge Supported Suffix
Class A (Class B-T and V-Z also allowed)	/A	.A	A
Class A When Issued	/Aw	.A*	AWI
Preferred	p	-	PR
Preferred Class A	pA	-A	PRA
Preferred Class A When Issued	pAw	-A*	PRAWI
Preferred When Distributed	p/WD	-W or WD	PRWD
Preferred When Issued	pw	.*	PRWI
Rights	r	.R or .RT	RT
Rights When Issued	rw	.R* or .RT*	RTWI
Units	/U	.U	U
Warrants	/WS	.WS or +	WS
Warrants Class A	/WS/A	.WS.A or +A	WSA
Warrant When Issued	/WSw	.WS* or +*	WSWI
When Distributed	/WD	.W or .WD	WD
When Issued	w	*	WI

Exhibit F - EDGX F1A2
3 Clearing Letter

EDGX EXCHANGE, INC. CLEARING LETTER OF GUARANTEE

NOTICE OF CONSENT -To be completed by Clearing Member of Applicant Broker-Dealer.

In connection with the qualification of _____ (“Member”) as a member of EDGX Exchange, Inc. (“Exchange”) and pursuant to Exchange Rule 11.11, the undersigned Clearing Firm represents that it is a member of the National Securities Clearing Corporation (“NSCC”), a clearing agency registered with the Securities Exchange Commission pursuant to Section 17A of the Securities Exchange Act of 1934. The undersigned Clearing Firm accepts full responsibility for clearing and settling any and all transactions made by the Member and/or such persons having access to the Exchange pursuant to a sponsorship arrangement with the Member to the extent such transactions are executed on the Exchange or on other markets after being routed away from the Exchange.

This section shall be deemed a letter of guarantee, letter of authorization, or notice of consent pursuant to Exchange Rules and may be relied upon by Exchange. This Notice of Consent shall be subject to Exchange Rules, as amended from time to time, and shall remain in effect until revoked in writing by the Clearing Firm.

 Clearing Firm (Broker-Dealer Name)

 NSCC Clearing #

 Signature of Authorized Officer, Partner or Managing Member or Sole Proprietor of Clearing Firm

 Print Name / Title

 Date

CLEARING FIRM INFORMATION		
Firm: _____		
Address: _____		
City: _____	State: _____	Zip: _____
Business Contact		Billing Contact
Name: _____		Name: _____
Email: _____		Email: _____
Phone: _____		Phone: _____
Fax: _____		Fax: _____

**Exhibit F - EDGX F1A2
4 User Agreement**

EDGX Exchange User Agreement

This User Agreement (this "Agreement") with an effective date as of the date executed on the signature page hereof is made by and between EDGX Exchange, Inc., a Delaware corporation, with its principal offices at 545 Washington Boulevard, Jersey City, NJ 07310 ("Exchange"), and the user referenced below ("User").

1. Term of the Agreement. This Agreement will continue until terminated pursuant to the terms of this Agreement.

2. Services. Subject to the terms and conditions of this Agreement, User will have the right to access Exchange to enter orders on Exchange, receive status updates on orders, cancel orders, execute trades against orders on the Exchange limit order book and to receive data feeds from Exchange ("Exchange Data") containing information regarding User's open orders, executions and volume on Exchange (collectively, the "Services"). User acknowledges and agrees that nothing in this Agreement constitutes an understanding by Exchange to continue any aspect in its current form. Exchange may from time to time make additions, deletions or modifications to the Services. User acknowledges and agrees that Exchange may temporarily or permanently, unilaterally condition, modify or terminate the right of any individuals or entities to access, receive or use Exchange in accordance with Certificate of Incorporation, Bylaws, Rules and Procedures of Exchange, as amended from time to time (the "Exchange Rules"). In the event of a conflict between the Exchange Rules and this Agreement, the Exchange Rules shall prevail. Exchange reserves the right to modify or change the Services provided Exchange notifies User prior to the effectiveness of the modification and User's continued use of the Services following the modification will constitute User's acceptance of the modification.

3. Compliance. Except as otherwise provided herein, with respect to all orders submitted to Exchange by User, it is the sole responsibility of User to ensure compliance, by itself, its customers and its representatives, with all applicable United States federal and state laws, rules, and regulations as well as those of FINRA or any other self-regulatory organization of which the User is a member to the extent applicable to User. User represents and warrants that: (i) it will use Exchange only if and when it is duly authorized to use Exchange pursuant to the Exchange Rules; (ii) it agrees to be bound by, and will only use Exchange in compliance with, Exchange Rules; (iii) it is and will remain responsible for its use of Exchange and the use of Exchange by any of its employees, customers or agents or, if User is a member of Exchange, by any person which has entered into a sponsorship arrangement with User to use Exchange (a "Sponsored Participant"); (iv) it will maintain and keep current a list of all authorized traders who may obtain access to Exchange on behalf of User and/or any Sponsored Participant(s); and (v) it will familiarize User's authorized traders with all of User's obligations under this Agreement and will assure that they receive appropriate training prior to any use of or access to Exchange.

4. Monitoring. User acknowledges and agrees that Exchange will monitor the use of Exchange by User for compliance with all applicable laws and regulations, including, without limitation, Exchange Rules. User acknowledges its responsibility to monitor its employees, agents and customers for compliance with Exchange Rules, the rules and regulations of any self-regulatory organizations of which User is a member and all applicable federal and state laws.

5. Settlement of Transactions. User agrees that it is User's absolute, unconditional, and unassignable obligation, in connection with each securities transaction effected by User on Exchange to ensure the timely delivery of the subject securities and/or funds as well as any required remittance of interest, dividend payments and/or other distributions in compliance with applicable laws and rules, including, without limitation, relevant rules under the Securities Exchange Act of 1934, as amended (the "Act") as well as the rules of any qualified clearing agency. User will promptly notify Exchange in writing upon becoming aware

EDGX Exchange User Agreement (Continued)

of any material change in or to User's clearing arrangements. Exchange retains the right to break any trade without liability to User or any of User's customers in accordance with the Exchange's Clearly Erroneous Executions Rule (Exchange Rule 11.13, as may be amended or re-numbered from time to time).

6. Sponsored Participants. Notwithstanding Exchange's execution and delivery to User of a copy of this Agreement, if User is a Sponsored Participant, and not a member of Exchange, as a condition to initiating and continuing access to Exchange, User must enter into and maintain customer agreements with one or more sponsoring members of Exchange establishing proper relationship(s) and account(s) through which User may trade on Exchange. Such customer agreement(s) must incorporate the sponsorship provisions set forth in Exchange Rules.

7. Connectivity. User is solely responsible for providing and maintaining all necessary electronic communications with Exchange, including, wiring, computer hardware, software, communication line access, and networking devices.

8. Market Data. User hereby grants to Exchange a non-exclusive, non-assignable, non-transferable, worldwide, irrevocable license to receive and use information and data that User or User's agent enters into Exchange ("User's Data") for the following purposes: within Exchange Data for performing self-regulatory functions; for internal commercial purposes (i.e., purposes that do not include disclosing, publishing, or distributing outside of Exchange); and for use within Exchange market data products (i.e., products that include disclosure, publication, or distribution to third parties), provided that: (i) such market data products are provided in an aggregate manner that does not directly or indirectly identify User as the source of the information and, (ii) fees for any such market data product are filed with the Securities and Exchange Commission ("SEC") in accordance with the requirements of Section 19 of the Act. Subject to the foregoing license, as between Exchange and User, User retains all ownership and other rights associated with User's Data. No provision in this Agreement shall impair any right, interest, or use of User's Data granted by operation of SEC rules or any other rule or law. User represents and warrants that, with respect to User's Data (i) User owns or has sufficient rights in and to User's Data to authorize Exchange to use User's Data to perform all obligations under this Agreement with respect thereto; (ii) use or delivery of User's Data by User or Exchange will not violate the proprietary rights (including, without limitation, any privacy rights) of any party; and (iii) use or delivery of User's Data by User or Exchange will not violate any applicable law or regulation.

9. Restrictions on Use; Security. Unless otherwise required by law, User may not sell, lease, furnish or otherwise permit or provide access to Exchange or any information or data made available therein (with the exception of User's Data) to any other entity or to any individual that is not User's employee, customer, agent or Sponsored Participant. User accepts full responsibility for its employees', customers', agents' and Sponsored Participants' use of Exchange, which use must comply with Exchange Rules and the User's obligations under this Agreement. User will take reasonable security precautions to prevent unauthorized use of or access to Exchange, including unauthorized entry of information into Exchange, or the information and data made available therein. Without limiting the generality of the foregoing, User shall insure that all internal use of Exchange Data: (i) clearly and prominently identifies the information as originating from Exchange where applicable; (ii) is adequately protected to prevent unauthorized access; and (iii) is not altered by User to make it materially incorrect or misleading in any way. User understands and agrees that User is responsible for any and all orders, trades and other messages and instructions entered, transmitted or received under identifiers, passwords and security codes of User's authorized traders, and for the trading and other consequences thereof, except in the event of willful misconduct, fraud or a breach of this Agreement by Exchange that results in unauthorized access by other parties. User may not convey, retransmit, republish or rebroadcast any Exchange Data to any outside party unless it signs and complies with a separate Exchange Data Vendor Agreement.

EDGX Exchange User Agreement (Continued)

10. Information.

(a) Confidentiality. Both parties acknowledge that: (i) Exchange and the information and data made available therein, incorporate confidential and proprietary information developed, acquired by or licensed to Exchange; and (ii) each party may receive or have access to other proprietary or confidential information disclosed and reasonably understood as confidential by the disclosing party (collectively, the "Information"). The receiving party will use the disclosing party's Information solely to perform its obligations under this Agreement. The receiving party will take all precautions necessary to safeguard the confidentiality of the disclosing party's Information, including without limitation: (i) those taken by the receiving party to protect its own confidential information; and (ii) those which the disclosing party may reasonably request from time to time. Exchange will not disclose the identity of User or User's customers to any of its other members or to any third parties in connection with orders, trades and other messages and instructions entered or executed by User on Exchange, except as required by a court or regulatory or self-regulatory authority with jurisdiction over Exchange or User, or to facilitate the clearance and settlement of a trade, or with written permission from User.

(b) Disclosure. The receiving party will not disclose, in whole or in part, the disclosing party's Information to any person, except as specifically authorized under this Agreement. User may not disclose any data or compilations of data made available to User by Exchange without the express, prior written authorization of Exchange. The receiving party may also disclose Information in accordance with its regulatory obligations.

(c) Unauthorized Use or Disclosure. The parties acknowledge that any unauthorized use or disclosure of the disclosing party's Information may cause irreparable damage to the disclosing party. If an unauthorized use or disclosure occurs, the receiving party will immediately notify the disclosing party and take at its expense all steps necessary to recover the disclosing party's Information and to prevent its subsequent unauthorized use or dissemination, including availing itself of actions for seizure and injunctive relief. If the receiving party fails to take these steps in a timely and adequate manner, the disclosing party may take them at the receiving party's expense, and the receiving party will provide the disclosing party with its reasonable cooperation in such actions that the disclosing party may request.

(d) Limitation. The receiving party will have no confidentiality obligation with respect to any portion of the disclosing party's Information that: (i) the receiving party independently developed before receiving the Information from the disclosing party; (ii) the receiving party lawfully obtained from a third party under no obligation of confidentiality; (iii) is or becomes available to the public other than as a result of an act or omission of the receiving party or any of its employees; or (iv) the receiving party is compelled to disclose by law, regulation or legal process provided by a court of competent jurisdiction or other governmental entity to whose jurisdiction the receiving party is subject.

11. Clearly Erroneous Trade Policy. User has read and agrees to the terms stipulated in Exchange Rule 11.13 (Clearly Erroneous Executions), as Exchange may amend or re-number from time to time.

12. Corporate Names; Proprietary Rights. Exchange and User each acknowledge and agree that Exchange and User each have proprietary rights in their respective trade names, trademarks, service marks, logos, copyrights and patents, registered or unregistered (collectively, the "Marks"). Exchange and User each agree that they shall not use the other party's Marks in any way that would infringe upon the rights of the other Party. Further, this Agreement shall not grant either party the right to use the other party's Marks in any marketing, promotional or other materials without the prior review and written consent of the other party.

13. Fees. By signing this Agreement, User agrees to make timely payment of all system usage fees, as may be set forth in Exchange Rules or posted on Exchange's web site, as well as any applicable late fees for the failure to make payment within the required time period. Fees are payable within 30 days of the invoice date.

EDGX Exchange User Agreement (Continued)

User will be solely responsible for any and all telecommunications costs and all other expenses incurred in linking to, and maintaining its link to, Exchange. Failure to make payments within 30 days from the invoice date may result in suspension or termination of Services. User agrees to pay Exchange a late charge in the amount of 1% per month on all past due amounts that are not the subject of a legitimate and bona fide dispute. Subject to the Act, Exchange reserves the right to change its fee schedule with 48 hours prior notice to User (delivered via e-mail and posted to the Exchange web site). The provisions of this Section will survive the termination of this Agreement.

14. DISCLAIMER OF WARRANTY. THE SERVICES ARE PROVIDED AS-IS, WITHOUT WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED CONDITIONS OR WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, ANY IMPLIED WARRANTY ARISING FROM TRADE USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE, AND OF ANY OTHER WARRANTY OR OBLIGATION WITH RESPECT TO THE SYSTEM OR ANY SOFTWARE OR OTHER MATERIALS MADE AVAILABLE TO USER AND ALL SUCH OTHER WARRANTIES ARE HEREBY DISCLAIMED. THERE IS NO GUARANTY THAT THE SERVICES PROVIDED BY EXCHANGE WILL MEET THE USER'S REQUIREMENTS, BE ERROR FREE, OR OPERATE WITHOUT INTERRUPTION. EXCHANGE GIVES NO WARRANTIES OF ANY KIND AS TO THE FITNESS, CAPACITY, OR CONDUCT OF ANY OTHER PERSON HAVING ACCESS TO EXCHANGE AND SHALL NOT BE HELD LIABLE TO OR THROUGH USER OR OTHERWISE FOR ANY USE OR ABUSE WHATSOEVER OF EXCHANGE BY ANOTHER PERSON HAVING ACCESS TO EXCHANGE, INCLUDING, WITHOUT LIMITATION, ANY FAILURE TO CONCLUDE TRANSACTIONS OR OBSERVE APPLICABLE MARKET REGULATIONS OR CONVENTIONS OR TO PAY REQUISITE TAXES OR OTHER CHARGES ON ANY TRANSACTIONS OR TO OTHERWISE ACT LAWFULLY.

15. NO LIABILITY FOR TRADES. ABSENT FRAUD OR WILLFUL MISCONDUCT BY EXCHANGE OR A CLAIM ARISING OUT OF EXCHANGE'S INDEMNIFICATION OBLIGATION, USER UNDERSTANDS AND AGREES THAT: (i) EXCHANGE IS NOT DIRECTLY OR INDIRECTLY A PARTY TO OR A PARTICIPANT IN ANY TRADE OR TRANSACTION ENTERED INTO OR OTHERWISE CONDUCTED THROUGH EXCHANGE; AND (ii) EXCHANGE IS NOT LIABLE IN ANY MANNER TO ANY PERSON (INCLUDING WITHOUT LIMITATION USER AND ANY PERSON FOR WHOM USER IS AUTHORIZED TO TRADE OR ACT) FOR THE FAILURE OF ANY PERSON ENTERING INTO A TRADE OR TRANSACTION BY MEANS OF EXCHANGE TO PERFORM SUCH PERSON'S SETTLEMENT OR OTHER OBLIGATIONS UNDER SUCH TRADE OR TRANSACTION. ABSENT FRAUD OR WILLFUL MISCONDUCT BY EXCHANGE OR A CLAIM ARISING OUT OF EXCHANGE'S INDEMNIFICATION OBLIGATION, NEITHER EXCHANGE, NOR ANY OF ITS AGENTS, AFFILIATES OR LICENSORS WILL BE LIABLE FOR ANY LOSSES, DAMAGES, OR OTHER CLAIMS, ARISING OUT OF EXCHANGE OR ITS USE AND ANY LOSSES, DAMAGES, OR OTHER CLAIMS, RELATED TO A FAILURE OF EXCHANGE TO DELIVER, DISPLAY, TRANSMIT, EXECUTE, COMPARE, SUBMIT FOR CLEARANCE AND SETTLEMENT, OR OTHERWISE PROCESS AN ORDER, MESSAGE, OR OTHER DATA ENTERED INTO, OR CREATED BY, EXCHANGE WILL BE ABSORBED BY THE USER THAT ENTERED THE ORDER, MESSAGE OR OTHER DATA INTO EXCHANGE. NOTWITHSTANDING THE FOREGOING, EXCHANGE MAY BE LIABLE TO USER TO THE EXTENT SUCH LIABILITY ARISES BASED ON THE EXCHANGE RULE CURRENTLY NUMBERED 11.12 (LIMITATION OF LIABILITY), AS SUCH RULE MAY BE AMENDED OR RE-NUMBERED FROM TIME TO TIME.

16. NO CONSEQUENTIAL DAMAGES. ABSENT FRAUD OR WILLFUL MISCONDUCT BY EXCHANGE OR A CLAIM ARISING OUT OF EXCHANGE'S INDEMNIFICATION OBLIGATION, UNDER NO CIRCUMSTANCES WILL EXCHANGE OR ITS AGENTS, AFFILIATES OR LICENSORS BE LIABLE FOR ANY LOSS, DAMAGE, CLAIM OR EXPENSE, INCLUDING WITHOUT

EDGX Exchange User Agreement (Continued)

LIMITATION ANY DIRECT, CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, BASED ON USER'S CLAIMS OR THE CLAIMS OF ITS CUSTOMERS, EMPLOYEES OR AGENTS (INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR LOSS OF DATA, GOODWILL, USE OF MONEY OR USE OF EXCHANGE, INTERRUPTION IN USE OR AVAILABILITY OF EXCHANGE, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS), ARISING OUT OF BREACH OR FAILURE OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. THIS SECTION WILL NOT APPLY ONLY WHEN AND TO THE EXTENT THAT APPLICABLE LAW SPECIFICALLY REQUIRES LIABILITY, DESPITE THE FOREGOING EXCLUSION AND LIMITATION. NOTWITHSTANDING THE FOREGOING, EXCHANGE MAY BE LIABLE TO USER TO THE EXTENT SUCH LIABILITY ARISES BASED ON THE EXCHANGE RULE CURRENTLY NUMBERED 11.12 (LIMITATION OF LIABILITY), AS SUCH RULE MAY BE AMENDED OR RE-NUMBERED FROM TIME TO TIME.

17. Indemnification by User. User agrees to indemnify and hold harmless Exchange, its owners, subsidiaries, affiliates, officers, directors, employees, agents, and any related persons and entities from and against all expenses and costs and damages (including any reasonable legal fees and expenses), direct, consequential, and/or incidental in nature, claims, demands, proceedings, suits, and actions, and all liabilities resulting from, in connection with, or arising out of any failure by User, for any reason, fraudulent, negligent or otherwise, to comply with its obligations under this agreement and for any loss or claim which may arise from a claim that one or more trades or orders in securities placed by User with Exchange were in violation of any state or federal securities law or Exchange Rules unless such expenses, costs, damages, claims, demands, proceedings, suits, actions, or liabilities arise from Exchange's willful misconduct, fraud or breach of Exchange's obligations under this Agreement.

18. Indemnification by Exchange. Exchange agrees to indemnify, defend and hold harmless User and its subsidiaries, affiliates and its and their respective officers, directors, employees, and agents from and against all expenses and costs and damages (including any legal fees and expenses), direct, consequential, and/or incidental in nature, claims, demands, proceedings, suits, and actions, and all liabilities resulting from, in connection with, or arising out of any third party claim that Exchange or the Services, or User's use thereof, infringes any copyright, patent, trademark, trade secret or other intellectual property right.

19. Termination. User or Exchange may terminate this Agreement or any part of the Services upon 30 days written notice to the other party. In addition, Exchange may suspend or terminate the Services to User immediately if it determines, in Exchange's sole reasonable determination, that: (i) User has breached any material term of this Agreement; (ii) User is engaged in activities that Exchange determines to be detrimental to Exchange or its members; (iii) User poses a credit risk to Exchange; (iv) User is retransmitting or republishing Exchange Data without the prior approval of Exchange; (v) User has violated any Exchange Rules; or (vi) User ceases to be a member in good standing with Exchange. Upon the termination of this Agreement for any reason, all rights granted to User hereunder will cease. The following Sections will survive the termination or expiration of this Agreement for any reason: 8, 9, 10, 12, 13, 14, 15, 16, 17, 18, 19, 24, and 26. In no event will termination of this Agreement relieve User of any obligations incurred prior to the termination or through its use of or connection to Exchange.

20. Acknowledgement of SRO Obligations. Exchange represents: (i) that Exchange is registered with the SEC as a national securities exchange pursuant to Section 6 of the Act; (ii) that Exchange has a statutory obligation to protect investors and the public interest, and to ensure that quotation information supplied to investors and the public is fair and informative, and not discriminatory, fictitious or misleading; (iii) that Section 19(g)(1) of the Act mandates that Exchange, as a self-regulatory organization, comply with the Act; and (iv) that Exchange has jurisdiction over its members to enforce compliance with the Act as well as the rules, regulations and interpretations of Exchange. Accordingly, User agrees that Exchange, when required to

EDGX Exchange User Agreement (Continued)

do so in fulfillment of its statutory obligations, may, in accordance with Exchange Rules, temporarily or permanently, unilaterally condition, modify or terminate the right of any or all individuals or entities, including User, to receive or use the Services. Exchange shall undertake reasonable efforts to notify User of any such condition, modification or termination, and User shall promptly comply with any requirement that may be contained in such notice within such period of time as may be determined in good faith by Exchange to be necessary and consistent with its statutory obligations. Any individual or entity that receives such a notice shall have available to it such procedural protections as are provided to it by the Act and the applicable rules thereunder and Exchange Rules.

21. Assignment. User's license to use the Services during the term of this Agreement is personal, nonexclusive and nontransferable. User shall not assign, delegate or otherwise transfer this Agreement or any of its rights or obligations hereunder without Exchange's prior approval, which will not be unreasonably withheld. Exchange may, as permitted by the Act, assign or transfer this Agreement or any of its rights or obligations hereunder to a related or unrelated party upon notice to User.

22. Force Majeure. Neither party to this Agreement will be liable for delay or failure to perform its obligations hereunder (other than a failure to pay amounts when due) caused by an event that is beyond the party's control; provided, however, that such party will not have contributed in any way to such event.

23. Severability. Each provision of this Agreement will be deemed to be effective and valid under applicable law, but if any provision of this Agreement is determined to be invalid, void, or unenforceable under any law, rule, administrative order or judicial decision, that determination will not affect the validity of the remaining provisions of this Agreement.

24. Arbitration. In connection with the following agreement to arbitrate, each party understands that: (i) arbitration is final and binding on the parties; (ii) the parties are waiving their right to seek remedies in court, including the right to jury trial; (iii) pre-arbitration discovery is generally more limited than and different from court proceedings; (iv) the arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or seek modification of rulings by the arbitrators is strictly limited; and (v) the panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry. Subject to the preceding disclosures, each party agrees that any controversy arising out of or relating to this Agreement or the breach thereof will be resolved and settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association or in accordance with such other rules and procedures as are agreed to by the parties. The arbitration proceeding shall be conducted in New York, New York, unless otherwise agreed to by the parties. Judgment upon arbitration may be entered in any court, state or federal, having jurisdiction; provided, however, that nothing herein will prevent either party from: (i) petitioning a regulatory body regarding a matter in question over which the regulatory body has administrative jurisdiction; or (ii) pursuing injunctions before any administrative or judicial forum provided that all monetary and other relief is submitted for arbitration.

25. Amendment. Exchange may amend any term or condition of this Agreement on one hundred and twenty (120) days' written notice to User (which notice may be provided by way of a circular issued to Members generally). User may object in writing to the proposed amendment by providing a written response to the address specified above, such response stating in reasonable detail the basis of the objection. Such response must be received no later than sixty (60) days after the date that Exchange distributed the initial notice. Exchange will respond to User's timely objection in writing within thirty (30) days of receipt and will use reasonable efforts thereafter to meet with the objecting User (in person or by phone) to discuss in good faith any potential resolution. Otherwise, any use by User of the System after the expiration of the one hundred and twenty (120) day notice period shall be deemed acceptance by User of the amendment. User may not alter any terms and conditions of this Agreement, and no modification to this Agreement proposed by User will be binding, unless in writing and manually signed by an authorized representative of each party.

EDGX Exchange User Agreement (Continued)

26. Miscellaneous. All notices or approvals required or permitted under this Agreement must be given in writing to Exchange at the address specified above or to User at its last reported principal office address. Any waiver or modification of this Agreement will not be effective unless executed in writing and signed by the other party. This Agreement will bind each party's successors-in-interest. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of New York, USA. For all matters not subject to Section 24 (Arbitration) above, both parties submit to the jurisdiction of the state and federal courts in and for the State of New York, USA for the resolution of any dispute arising under this Agreement. If any provision of this Agreement is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement. This Agreement, together with the applicable Exchange Rules, constitutes the complete and entire statement of all conditions and representations of the agreement between Exchange and User with respect to its subject matter and supersedes all prior writings or understandings.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers.

User: _____ EDGX Exchange, Inc.

Signature: _____ Signature: _____

Printed Name: _____ Printed Name: _____

Title: _____ Title: _____

Date: _____

Select type of User:

- Exchange Member
- Sponsored Participant

If Sponsored Participant, name of Sponsoring Member: _____

**Exhibit F - EDGX F1A2
5 Routing Agreement**

DIRECT EDGE Securities Routing Agreement

Provided that User is a Member or Sponsored Participant of a Member of either EDGA Exchange, Inc., EDGX Exchange, Inc. or both of EDGA Exchange, Inc. and EDGX Exchange, Inc. (as applicable, the "Exchange") and subject to a valid, ongoing User Agreement with Exchange, Direct Edge ECN LLC (hereinafter "Direct Edge"), a broker-dealer registered in accordance with Section 15(a) of the Securities Exchange Act of 1934, as amended (the "Act"), agrees to act as agent to User for the purpose of providing certain routing services, as described herein, provided that User is bound by the terms and conditions of this agreement (the "Routing Agreement") and any applicable rules and interpretations of Exchange Rules. Whereas Direct Edge provides certain order routing services for Exchange, and User desires to use the order routing facilities of Exchange, for good and valuable consideration, User and Direct Edge agree as follows:

1. Routing Services. Direct Edge, a wholly owned subsidiary of Direct Edge Holdings LLC, agrees to act as agent for User for routing orders entered into Exchange to the applicable market centers or broker-dealers for execution, whenever such routing is at User's request, and is permitted in accordance with Exchange Rules. User understands and agrees that orders executed on its behalf shall at all times be subject to the terms and conditions of Exchange Rules. In the event of a conflict between the Exchange Rules and this Routing Agreement, the Exchange Rules shall prevail.

2. Orders Not Eligible For Routing Services. User agrees that Direct Edge will not handle or otherwise route any orders that are not eligible for order routing in accordance with Exchange Rules.

3. Cancellation; Modification Of Orders. User agrees that any requests regarding cancellation or modification of orders shall be subject to Exchange Rules. User understands that the Exchange Rules may provide that requests to cancel orders while the order is routed away to another market center and remains outside Exchange will be processed by Direct Edge subject to the applicable trading rules of the relevant market center.

4. Transmission Of Order Instructions. User agrees that all orders on its behalf must be transmitted to Direct Edge through Exchange. User agrees that Exchange is its exclusive mechanism for purposes of transmitting orders on its behalf to Direct Edge and for receiving notice regarding such orders. Direct Edge shall be entitled to rely upon and act in accordance with any order instructions received from Exchange on behalf of User. User agrees that all order executions effected on behalf of User pursuant to this Routing Agreement shall be reported by Direct Edge to Exchange. User shall be notified of such executions through Exchange.

5. Clearance And Settlement. User agrees that all transactions executed on its behalf shall be processed in accordance with Exchange Rules. If User is a Member, User agrees that orders executed on its behalf by Direct Edge shall be automatically processed by Exchange for clearance and settlement on a locked-in basis. If User is a Sponsored Participant, User agrees that all orders executed on its behalf by Direct Edge shall be cleared and settled, using the relevant sponsoring Exchange Member's mnemonic (or its clearing firm's mnemonic, as applicable) and such Exchange Member retains responsibility for the clearance and settlement of all such orders.

6. Information.

(a) Confidentiality. Both parties acknowledge that each party to this Routing Agreement may receive or have access to other proprietary or confidential information disclosed and reasonably understood as confidential by the disclosing party (collectively, the "Information"). The receiving party will use the disclosing party's Information solely to perform its obligations under this Routing Agreement. The receiving party will take all precautions necessary to safeguard the confidentiality of the disclosing party's Information, including without limitation: (i) those taken by the receiving party to protect its own confidential information; and (ii) those which the disclosing party may reasonably request from time to time. Direct Edge will not disclose the identity of User or User's customers to any of Exchange's other Members or to any third parties in connection with orders, trades and other messages and instructions entered or executed by User on Exchange, except as required by a court or regulatory or self-regulatory authority with jurisdiction over Direct Edge, Exchange or User, or to facilitate the clearance and settlement of a trade, or with written permission from User.

(b) Disclosure. The receiving party will not disclose, in whole or in part, the disclosing party's Information to any person, except as specifically authorized under this Routing Agreement. If applicable, User may not disclose any data or compilations of data made available to User by Direct Edge without the express, prior written authorization of Direct Edge. The receiving party may also disclose Information in accordance with its regulatory obligations.

(c) **Unauthorized Use or Disclosure.** The parties acknowledge that any unauthorized use or disclosure of the disclosing party's Information may cause irreparable damage to the disclosing party. If an unauthorized use or disclosure occurs, the receiving party will immediately notify the disclosing party and take at its expense all steps necessary to recover the disclosing party's Information and to prevent its subsequent unauthorized use or dissemination, including availing itself of actions for seizure and injunctive relief. If the receiving party fails to take these steps in a timely and adequate manner, the disclosing party may take them at the receiving party's expense, and the receiving party will provide the disclosing party with its reasonable cooperation in such actions that the disclosing party may request.

(d) **Limitation.** The receiving party will have no confidentiality obligation with respect to any portion of the disclosing party's Information that: (i) the receiving party independently developed before receiving the Information from the disclosing party; (ii) the receiving party lawfully obtained from a third party under no obligation of confidentiality; (iii) is or becomes available to the public other than as a result of an act or omission of the receiving party or any of its employees; or (iv) the receiving party is compelled to disclose by law, regulation or legal process provided by a court of competent jurisdiction or other governmental entity to whose jurisdiction the receiving party is subject.

7. Term Of Agreement. This Routing Agreement will be effective as of the date executed by Direct Edge on the signature page hereof and will remain in effect thereafter until terminated by either party upon notice to the other party. Termination will be effective at the close of trading in the affected markets and applications on the day that notice of termination is received by the other party hereto. Direct Edge may terminate this Routing Agreement with written notice if: (i) User is in breach of this Routing Agreement for any reason; (ii) any representations made by User in connection with this Routing Agreement or the User Agreement are or become false or misleading; or (iii) User is no longer a Member or Sponsored Participant of Exchange or otherwise authorized to access Exchange. Upon the termination of this Routing Agreement or the User Agreement for any reason, all rights granted to User hereunder will cease. The following Sections will survive the termination or expiration of this Routing Agreement for any reason: 6, 8, 9, 10, 11, 12, 15 and 17. In no event will termination of this Routing Agreement relieve User of any obligations incurred prior to the termination or through its use of or connection to Exchange.

8. Indemnity. User agrees to indemnify, defend and hold Direct Edge harmless from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and attorneys' fees, arising from or as a result of User's breach of its obligations under this Routing Agreement or otherwise from its use of Direct Edge routing services, unless such claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies arise from Direct Edge's willful misconduct, fraud or breach of Direct Edge's obligations under this Routing Agreement.

9. Indemnification by Direct Edge. Direct Edge agrees to indemnify, defend and hold harmless User and its subsidiaries, affiliates and its and their respective officers, directors, employees, and agents from and against all expenses and costs and damages (including any legal fees and expenses), direct, consequential, and/or incidental in nature, claims, demands, proceedings, suits, and actions, and all liabilities resulting from, in connection with, or arising out of any third party claim that the order routing services of Direct Edge, or User's use thereof, infringes any copyright, patent, trademark, trade secret or other intellectual property right.

10. DISCLAIMER OF WARRANTY. ROUTING SERVICES ARE PROVIDED "AS-IS" AND WITHOUT WARRANTY OF ANY KIND. ALL WARRANTIES, CONDITIONS, REPRESENTATIONS, INDEMNITIES AND GUARANTEES WITH RESPECT TO THE ROUTING SERVICE, WHETHER EXPRESS, IMPLIED, OR STATUTORY, ARISING BY LAW, CUSTOM, PRIOR ORAL OR WRITTEN STATEMENTS BY DIRECT EDGE, EXCHANGE OR ITS OR THEIR AGENTS, AFFILIATES, LICENSORS OR OTHERWISE (INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF SATISFACTORY QUALITY, ACCURACY, UNINTERRUPTED USE, TIMELINESS, TRUTHFULNESS, SEQUENCE, COMPLETENESS, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR NON-INFRINGEMENT AND ANY IMPLIED WARRANTIES ARISING FROM TRADE USAGE, COURSE OF DEALING OR COURSE OF PERFORMANCE) ARE HEREBY OVERRIDDEN, EXCLUDED AND DISCLAIMED.

11. NO LIABILITY FOR TRADES. ABSENT FRAUD OR WILLFUL MISCONDUCT BY DIRECT EDGE OR A CLAIM ARISING OUT OF DIRECT EDGE'S INDEMNIFICATION OBLIGATION, USER UNDERSTANDS AND AGREES THAT DIRECT EDGE IS NOT LIABLE UNDER THIS ROUTING AGREEMENT TO ANY PERSON (INCLUDING WITHOUT LIMITATION USER AND ANY PERSON FOR WHOM USER IS AUTHORIZED TO TRADE OR ACT) FOR THE FAILURE OF ANY PERSON ENTERING INTO A TRADE OR TRANSACTION BY MEANS OF EXCHANGE TO PERFORM SUCH PERSON'S SETTLEMENT OR OTHER OBLIGATIONS UNDER SUCH TRADE OR TRANSACTION. ABSENT FRAUD OR WILLFUL MISCONDUCT BY DIRECT EDGE OR A CLAIM ARISING OUT OF DIRECT EDGE'S INDEMNIFICATION OBLIGATION, NEITHER DIRECT EDGE, OR ITS AGENTS, AFFILIATES OR LICENSORS WILL BE LIABLE FOR ANY LOSSES, DAMAGES, OR OTHER CLAIMS, ARISING OUT OF THE ROUTING SERVICE OR ITS USE. ANY LOSSES, DAMAGES, OR OTHER CLAIMS, RELATED TO A FAILURE OF DIRECT EDGE TO DELIVER, DISPLAY, TRANSMIT, EXECUTE, COMPARE, SUBMIT FOR CLEARANCE AND

SETTLEMENT, OR OTHERWISE PROCESS AN ORDER, MESSAGE, OR OTHER DATA ENTERED INTO, OR CREATED BY, EXCHANGE WILL BE ABSORBED BY USER OR THE MEMBER SPONSORING USER, THAT ENTERED THE ORDER, MESSAGE OR OTHER DATA INTO EXCHANGE. NOTWITHSTANDING THE FOREGOING, DIRECT EDGE AS A FACILITY OF THE EXCHANGE MAY BE LIABLE TO USER TO THE EXTENT SUCH LIABILITY ARISES BASED ON THE EXCHANGE RULE CURRENTLY NUMBERED 11.12 (LIMITATION OF LIABILITY), AS SUCH RULE MAY BE AMENDED OR RE-NUMBERED FROM TIME TO TIME.

12. NO CONSEQUENTIAL DAMAGES. ABSENT FRAUD OR WILLFUL MISCONDUCT BY DIRECT EDGE OR A CLAIM ARISING OUT OF DIRECT EDGE'S INDEMNIFICATION OBLIGATION, UNDER NO CIRCUMSTANCES WILL DIRECT EDGE OR ITS AGENTS, AFFILIATES OR LICENSORS BE LIABLE FOR ANY LOSS, DAMAGE, CLAIM OR EXPENSE, INCLUDING WITHOUT LIMITATION ANY DIRECT, CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR INCIDENTAL DAMAGES OR LOST PROFITS, WHETHER FORESEEABLE OR UNFORESEEABLE, BASED ON USER'S CLAIMS OR THE CLAIMS OF ITS CUSTOMERS, EMPLOYEES OR AGENTS (INCLUDING, BUT NOT LIMITED TO, CLAIMS FOR LOSS OF DATA, GOODWILL, USE OF MONEY OR USE OF ROUTING SERVICES, INTERRUPTION IN USE OR AVAILABILITY OF DIRECT EDGE, STOPPAGE OF OTHER WORK OR IMPAIRMENT OF OTHER ASSETS), ARISING OUT OF BREACH OR FAILURE OF EXPRESS OR IMPLIED WARRANTY, BREACH OF CONTRACT, MISREPRESENTATION, NEGLIGENCE, STRICT LIABILITY IN TORT OR OTHERWISE. THIS SECTION WILL NOT APPLY ONLY WHEN AND TO THE EXTENT THAT APPLICABLE LAW SPECIFICALLY REQUIRES LIABILITY, DESPITE THE FOREGOING EXCLUSION AND LIMITATION. NOTWITHSTANDING THE FOREGOING, DIRECT EDGE AS A FACILITY OF THE EXCHANGE MAY BE LIABLE TO USER TO THE EXTENT SUCH LIABILITY ARISES BASED ON THE EXCHANGE RULE CURRENTLY NUMBERED 11.12 (LIMITATION OF LIABILITY), AS SUCH RULE MAY BE AMENDED OR RE-NUMBERED FROM TIME TO TIME.

13. Assignment. User shall not assign, delegate or otherwise transfer this Routing Agreement or any of its rights or obligations hereunder without Direct Edge's prior approval, which will not be unreasonably withheld. Direct Edge may, as permitted by the Act, assign or transfer this Routing Agreement or any of its rights or obligations hereunder to a related or unrelated party upon notice to User.

14. Force Majeure. Notwithstanding any other term or condition of this Routing Agreement to the contrary, neither Direct Edge nor User will be obligated to perform or observe their obligations undertaken in this Routing Agreement if prevented or hindered from doing so by any circumstances found to be beyond their control.

15. Arbitration. In connection with the following agreement to arbitrate, each party understands that: (i) arbitration is final and binding on the parties; (ii) the parties are waiving their right to seek remedies in court, including the right to jury trial; (iii) pre-arbitration discovery is generally more limited than and different from court proceedings; (iv) the arbitrators' award is not required to include factual findings or legal reasoning, and any party's right to appeal or seek modification of rulings by the arbitrators is strictly limited; and (v) the panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry. Subject to the preceding disclosures, each party agrees that any controversy arising out of or relating to this Routing Agreement or the breach thereof will be resolved and settled by arbitration under the auspices of FINRA Dispute Resolution or in accordance with such other rules and procedures as are agreed to by the parties. The arbitration proceeding shall be conducted in New York, New York, unless otherwise agreed to by the parties. Judgment upon arbitration may be entered in any court, state or federal, having jurisdiction; provided, however, that nothing herein will prevent either party from: (i) petitioning a regulatory body regarding a matter in question over which the regulatory body has administrative jurisdiction; or (ii) pursuing injunctions before any administrative or judicial forum provided that all monetary and other relief is submitted for arbitration.

16. Amendment. Direct Edge, or Exchange on its behalf, may amend any term or condition of this Routing Agreement on one hundred and twenty (120) days' written notice to User (which notice may be provided by way of a circular issued to Members of the Exchange generally). User may object in writing to the proposed amendment by providing a written response to the address specified above, such response stating in reasonable detail the basis of the objection. Such response shall be received no later than sixty (60) days after the date that Exchange distributed the initial notice. Direct Edge, or Exchange on its behalf, will respond to User's timely objection in writing within thirty (30) days of receipt and will use reasonable efforts thereafter to meet with the objecting User (in person or by phone) to discuss in good faith any potential resolution. Otherwise, any use by User of the routing services provided by Direct Edge after the expiration of the one hundred and twenty (120) day notice period shall be deemed acceptance by User of the amendment. User may not alter any terms and conditions of this Routing Agreement, and no modification to this Routing Agreement proposed by User will be binding, unless in writing and manually signed by an authorized representative of each party.

17. Miscellaneous. All notices or approvals required or permitted under this Routing Agreement must be given in writing to Direct Edge at 545 Washington Boulevard, 6th Floor, Jersey City, New Jersey 07310, or to User at its last reported principal office address. Any waiver or modification of this Routing Agreement will not be effective unless executed in writing and signed by the other party. This Routing Agreement will bind each party's successors-in-interest. This Routing Agreement will be governed by and interpreted in accordance with the internal laws of the State of New York, USA. For all matters not subject to Section 15 (Arbitration) above, both parties submit to the jurisdiction of the state and federal courts in and for the State of New York, USA for the resolution of any dispute arising under this Routing Agreement. If any provision of this Routing Agreement is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Routing Agreement. This Routing Agreement, together with the applicable Exchange Rules, constitutes the complete and entire statement of all conditions and representations of the agreement between Direct Edge and User with respect to its subject matter and supersedes all prior writings or understandings.

IN WITNESS WHEREOF the parties hereto have caused this Routing Agreement to be executed by their duly authorized officers.

User: _____ Direct Edge ECN LLC.

Signature: _____ Signature: _____

Printed Name: _____ Printed Name: _____

Title: _____ Title: _____

Date: _____

Select type of User:

Exchange Member

Sponsored Participant

If Sponsored Participant, name of Sponsoring Member: _____

**Exhibit F - EDGX F1A2
6 Exchange Data Vendor
Agreement**

EXCHANGE DATA VENDOR AGREEMENT

This Exchange Data Vendor Agreement (this "Agreement"), with an effective date as of the date executed on the signature page hereof is made by and between EDGX Exchange, Inc., a Delaware corporation, with its principal offices at 545 Washington Boulevard, Jersey City, NJ 07310 (the "Exchange"), and the data recipient referenced below ("Data Recipient").

1. Exchange Users. If Data Recipient has entered into a User Agreement with the Exchange (as may be amended, modified or supplemented from time to time, the "User Agreement") pursuant to which Data Recipient has the right to access the Exchange to, among other things, receive data feeds from the Exchange for internal use only, then this Agreement shall be deemed to be a supplement to the User Agreement and all terms and provisions of the User Agreement which are not expressly overridden by the terms and conditions of this Agreement shall be incorporated herein by reference. All rights under this Agreement granted to any Data Recipient that is also party to a User Agreement are granted subject to the terms and conditions of this Agreement in addition to the rights granted to User Data Recipient under the User Agreement.

2. Other Recipients. If Data Recipient has not entered into a User Agreement with the Exchange, by signing this Agreement, Data Recipient has the right to access the Exchange to receive data feeds from the Exchange for internal purposes and for retransmission as expressly described below.

3. Retransmission of Exchange Data. Exchange hereby grants to Data Recipient the nonexclusive and non-transferable right to: (a) copy, store, process, commingle, and use any data received from the Exchange ("Exchange Data"), including, but not limited to, the right to create ratios, calculations, new original works, and statistics from Exchange Data (including highs and lows), and (b) redistribute Exchange Data in any form by means of any current or future product or service of the Data Recipient in any media, in whole or in part, if and only if such redistribution is either (A) without charge by Data Recipient, or (B) subject to a flat fee payable to Data Recipient for access to market data generally (including market data collected by Data Recipient from other sources) such that the fee is not payable, in whole in part, specifically for access to Exchange Data. Data Recipient shall ensure that, to the extent technically practicable, the Exchange Data is clearly attributed as originating from the Exchange.

4. Proprietary Nature of Exchange Data. Exchange represents that Exchange Data constitutes valuable proprietary information and rights of the Exchange. Data Recipient expressly acknowledges and agrees that: (i) as between the Exchange and Data Recipient, the Exchange has the exclusive property rights in and to Exchange Data; and (ii) Data Recipient has no proprietary rights in and to the Exchange Data.

5. Right to Deny Distribution. The Exchange retains the right to direct Data Recipient to terminate any external transmission (i.e., to a third party site) or distribution of Exchange Data for any reason or no reason, in which event the Exchange shall notify Data Recipient and Data Recipient shall cease retransmitting Exchange Data as soon as commercially practicable.

6. Changes to Exchange Data; Fees. Data Recipient acknowledges that the Exchange, in its reasonable discretion, may choose to discontinue its transmission of any or all Exchange Data or to change the nature or transmission format of Exchange Data at any time. Exchange will use commercially reasonable efforts to provide Data Recipient with reasonable advance notice of such discontinuation or changes. Data Recipient agrees to make timely payment of applicable fees, if any, charged specifically for linking to Exchange in order to receive Exchange Data ("Port Fees"), and fees, if any, in connection with redistribution of data ("other fees") as well as any applicable late fees for the failure to make payment within the required time period. The amount of applicable Port Fees and other fees, if any, shall be set forth in Exchange Rules or posted on the Exchange's web site. Port Fees and other fees are payable within 30 days of the invoice date. Data Recipient will be solely responsible for any and all other telecommunications costs and all other expenses incurred in linking to and maintaining its link to, Exchange. Failure to make payments within 30 days from the invoice date may result in suspension or termination of transmission of Exchange Data by Exchange to Data Recipient. Data Recipient agrees to pay Exchange a late charge in the amount of 1% per month on all past due amounts that are not the subject of a legitimate and bona fide dispute. Subject to the Securities Exchange Act of 1934 (the "Act"), Exchange reserves the right to change its fee schedule, including, but not limited to, Port Fees and other fees applicable to Data Recipient. Exchange will use commercially reasonable efforts to provide reasonable advance notice to Data Recipient (delivered via e-mail and posted to the Exchange web site) of any such change to Port

Fees or other fees, provided, however, that such notice shall be not less than 30 days prior to the effectiveness of the change.

7. Term and Termination. This Agreement, subject to earlier termination in accordance with its terms, shall continue until it is terminated on not less than 30 days' written notice given by either party to the other. Upon termination of this Agreement for any reason, the Data Recipient shall have the right to continue using in its services and databases the Exchange Data received from Exchange during the term of this Agreement. The following Sections will survive the termination or expiration of this Agreement for any reason: 4, 7, 8, 9, 10, 11, 13, 14, 15, 16, and 17.

8. Requirements of Self-Regulatory Organization; Actions To Be Taken In Fulfillment of Statutory Obligations. Exchange represents, warrants and covenants that: (1) the Exchange is registered with the Securities and Exchange Commission (the "SEC") as a registered national securities exchange; (2) the Exchange has a statutory obligation to protect investors and the public interest, and to ensure that quotation information supplied to investors and the public is fair and informative, and not discriminatory, fictitious or misleading; (3) Section 19(g)(1) of the Act mandates that the Exchange, as a self-regulatory organization, comply with: (a) the Certificate of Incorporation, Bylaws, Rules and Procedures of Exchange, as amended from time to time; (b) the rules, regulations, interpretations, decisions, opinions, orders and other requirements of the SEC; (c) all other applicable laws, statutes, rules, regulations, orders, decisions, interpretations, opinions, and other requirements, whether promulgated by the United States or any other applicable jurisdiction (including in the area of intellectual property) (collectively, the "Exchange Requirements"); (4) the Exchange has jurisdiction over its members to enforce compliance with the Exchange Requirements; and (5) the Exchange is obligated to offer terms that are not unreasonably discriminatory between Data Recipients, subject to applicable Exchange Requirements. Accordingly, Data Recipient agrees that the Exchange, when required to do so in fulfillment of its statutory obligations, may, temporarily or permanently, unilaterally condition, modify or terminate the right of any or all individuals or entities to receive or use Exchange Data. The Exchange shall undertake reasonable efforts to notify Data Recipient of any such condition, modification or termination, and Data Recipient shall promptly comply with any such notice within such period of time as may be determined in good faith by the Exchange to be necessary, consistent with its statutory obligations. Any person that receives such a notice shall have available to it such procedural protections as are provided to it by the Act and the applicable rules thereunder. If Data Recipient is a Member of the Exchange, as that term is defined in the Exchange's rules, then Data Recipient expressly acknowledges and agrees that: (i) this Agreement does not limit or reduce in any way Data Recipient's obligations and responsibilities as a Member of the Exchange; (ii) this Agreement does not in any way alter the procedures or standards generally applicable to disciplinary or other actions taken by the Exchange to enforce compliance with, or impose sanctions for violations of, the Exchange Requirements and (iii) the nonpayment of amounts due under this Agreement could result in the suspension or cancellation of Data Recipient's Exchange membership in accordance with the Exchange Requirements. In addition, Exchange represents, warrants and covenants that it will treat all parties that receive Exchange Data in a non-discriminatory manner including, without limitation, with respect to this Section 8 as well as Sections 3, 5 and 6 of this Agreement.

9. LIMITATION OF LIABILITY/DISCLAIMER OF WARRANTIES. Absent fraud or willful misconduct by Exchange or a claim arising out of Exchange's indemnification obligation, the Exchange, its officers, directors, shareholders, employees, agents and consultants shall not be liable to Data Recipient or its affiliates, or any recipient of Exchange Data retransmitted by Data Recipient or its affiliates, for any inaccurate or incomplete Exchange Data, nor for any delays, interruptions, errors, or omissions in the furnishing thereof, nor for any direct, indirect or consequential damages arising from or occasioned by said inaccuracies, delays, interruptions, errors or omissions. DATA RECIPIENT EXPRESSLY ACKNOWLEDGES THAT THE EXCHANGE DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO EXCHANGE DATA, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OR ANY WARRANTIES OF MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE. THE EXCHANGE, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND CONSULTANTS SHALL NOT BE LIABLE TO DATA RECIPIENT, OR ANY RECIPIENT OF EXCHANGE DATA REDISTRIBUTED BY DATA RECIPIENT, FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF OR DAMAGE TO DATA, LOSS OF BUSINESS OR LOST PROFITS, ARISING OUT OF THIS AGREEMENT.

10. Indemnification by Data Recipient. Absent fraud or willful misconduct by Exchange or a claim arising out of Exchange's indemnification obligation, Data Recipient and its affiliates agree to indemnify and hold harmless the Exchange, its owners, subsidiaries, affiliates, officers, directors, employees, agents, any related persons and entities, from and against all expenses and costs and damages (including reasonable legal fees and expenses),

direct, consequential and/or incidental in nature, claims, demands, proceedings, suits, and actions brought by third parties resulting from, in connection with, or arising out of any redistribution of Exchange Data by Data Recipient or its affiliates, and for any failure by Data Recipient or its affiliates to comply with its obligations under this Agreement; provided that: (i) Exchange promptly notifies Data Recipient in writing of the claim; (ii) Data Recipient shall have sole control of the settlement and defense of any action to which this indemnity relates; and (iii) Exchange reasonably cooperates to facilitate such defense.

11. Indemnification by Exchange. Exchange agrees to indemnify, defend and hold harmless Data Recipient and its subsidiaries, affiliates and its and their respective officers, directors, employees, and agents from and against all expenses and costs and damages (including reasonable legal fees and expenses), direct, consequential, and/or incidental in nature, claims, demands, proceedings, suits, and actions, and all liabilities resulting from, in connection with, or arising out of any third party claim that Exchange Data, or Data Recipient's use thereof, infringes any copyright, patent, trademark, trade secret or other intellectual property right; provided that: (i) Data Recipient promptly notifies Exchange in writing of the claim; (ii) Exchange shall have sole control of the settlement and defense of any action to which this indemnity relates; and (iii) Data Recipient reasonably cooperates to facilitate such defense.

12. Assignment. Data Recipient may not assign this Agreement without the prior written consent of Exchange, provided, however, that Exchange shall not unreasonably withhold such consent. Exchange may, as permitted by the Act, assign or transfer this Agreement or any of its rights or obligations hereunder to a related or unrelated party upon notice to Data Recipient.

13. Force Majeure. Neither party to this Agreement will be liable for delay or failure to perform its obligations hereunder (other than a failure to pay amounts when due) caused by an event that is beyond the party's control; provided, however, that such party will not have contributed in any way to such event.

14. Severability. Each provision of this Agreement will be deemed to be effective and valid under applicable law, but if any provision of this Agreement is determined to be invalid, void, or unenforceable under any law, rule, administrative order or judicial decision, that determination will not affect the validity of the remaining provisions of this Agreement.

15. Use of Name. Exchange shall not advertise, publicly announce or otherwise state that it is providing services to Data Recipient or its affiliates without the prior written consent of Data Recipient. Without limiting foregoing, without prior written consent, Exchange shall not use the name of Data Recipient or any affiliate thereof in any advertising or promotional materials, including but not limited to, any published list of data recipients or other clients or in its web site displays.

16. Miscellaneous. All notices or approvals required or permitted under this Agreement must be given in writing to Exchange at the address specified above or to Data Recipient at its last reported principal office address or other address, if specified below. Any waiver or modification of this Agreement will not be effective unless executed in writing and signed by the other party. This Agreement will bind each party's successors-in-interest. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of New York, USA. Both parties submit to the jurisdiction of the state and federal courts in and for the State of New York, USA for the resolution of any dispute arising under this Agreement. If any provision of this Agreement is held to be unenforceable, in whole or in part, such holding will not affect the validity of the other provisions of this Agreement. This Agreement constitutes the complete and entire statement of all conditions and representations of the agreement between Exchange and Data Recipient with respect to its subject matter and supersedes all prior writings or understandings.

17. Affiliates. Notwithstanding anything to the contrary in this Agreement, any affiliate of the Data Recipient is entitled to exercise the rights of Data Recipient set forth herein on behalf of itself, the Data Recipient, or any other affiliate of the Data Recipient, including, but not limited to, rights to use and distribute Exchange Data to other parties, subject to the terms of this Agreement. For purposes of this Agreement, an "affiliate" of Data Recipient shall include any entity that, from time to time, directly or indirectly Controls, is Controlled by, or is under common Control with Data Recipient. "Control" means the power to direct or cause the direction of the management of policies of another entity, whether through the ownership of voting securities, by contract, or otherwise. The Data Recipient may delegate any of its responsibilities, obligations or duties under or in connection with this Agreement to any affiliate of the Data Recipient or an authorized third party agent, which may discharge those responsibilities, obligations or duties on behalf of the Data Recipient in accordance with this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers.

Data Recipient _____ EDGX Exchange, Inc.

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Select type of Data Recipient:

Exchange Member

Sponsored Participant

Other. If Other, please complete below:

Principal Business Address: _____

Phone: _____

Email: _____

Send notices to (if other than address above): _____
