

## Exhibit 5 - TEXT OF PROPOSED RULE CHANGE

Proposed new language is underlined; proposed deletions are in [brackets]

**Long-Term Stock Exchange Rule Book**

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**CHAPTER 11. TRADING RULES****Rule Series 11.100 General Trading Rules**

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**Rule 11.151. Market Maker Obligations**

(a)-(d) No change.

(e) Locked and Crossed Markets.

(1) No change.

(2) Inter-market Locked and Crossed Markets.

(A) Definitions. For purposes of this LTSE Rule, the following definitions shall apply:

(i) No change.

(ii) The term “Crossing Quotation” shall have the definition provided in LTSE Rule 11.180. [mean the display of a bid for an NMS stock during the Regular Market Session 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 the Regular Market Session 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.]

- (iii) The term “Locking Quotation” shall have the definition provided in LTSE Rule 11.180. [mean the display of a bid in an NMS stock during the Regular Market Session 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)-(C) No change.

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**Rule 11.180. [Units of Trading] Definitions**

- (a) 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.” Certain securities, as designated by their listing markets, have a normal unit of trade of less than 100 shares, and so the Exchange shall conform to the direction of the listing markets in those instances.
- (b) The minimum unit of trading on the System shall be one share.]

For purposes of this Chapter, the following definitions shall apply:

- (a) Cancel Back. An instruction the User may attach to an order instructing the System to immediately cancel the order when, if displayed by the System on the LTSE Book at the time of entry would create a violation of Rule 610(d) of Regulation NMS or Rule 201 of Regulation SHO, or the order cannot otherwise be executed or posted by the System to the LTSE Book at its limit price.
- (b) Crossing Quotation. The display of a bid (offer) for an NMS stock at a price that is higher (lower) than the price of an offer (bid) for such NMS stock previously disseminated pursuant to an effective national market system plan in violation of Rule 610(d) of Regulation NMS.
- (c) Display Options.
- (1) Displayed. An instruction the User may attach to an order stating that the order is to be displayed by the System on the LTSE Book.
- (2) Non-Displayed. An instruction the User may attach to an order stating that the order is not to be displayed by the System on the LTSE Book.
- (d) Locking Price. The price at which an order to buy (sell), that if displayed by the System on the LTSE Book, would be a Locking Quotation.

- (e) Locking Quotation. The display of a bid for an NMS stock 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 at a price that equals the price of a bid for such NMS stock previously disseminated pursuant to an effective national market system plan in violation of Rule 610(d) of Regulation NMS.
- (f) Minimum Execution Quantity. An instruction a User may attach to an order with a Non-Displayed instruction or a Time-in-Force of Immediate-or-Cancel instruction requiring the System to execute the order only to the extent that a minimum quantity can be satisfied. An order with the Minimum Execution Quantity instruction will only execute upon entry against a single order resting on the LTSE Book. If, upon entry, there are no orders that satisfy the minimum quantity condition resting on the LTSE Book, the order will either be posted to the LTSE Book at its limit price or canceled in accordance with the terms of the order. However, an order with a Minimum Execution Quantity will be canceled where, if posted, it would cross the displayed price of an order on the LTSE Book. An order to buy (sell) with a Minimum Execution Quantity instruction that is ranked in the LTSE Book will not be eligible to trade: (i) at a price equal to or above (below) any sell (buy) orders that are Displayed and that have a ranked price equal to or below (above) the price of such order with a Minimum Execution Quantity instruction; or (ii) at a price above (below) any sell (buy) order that is Non-Displayed and has a ranked price below (above) the price of such order with a Minimum Execution Quantity instruction. However, an order with a Minimum Execution Quantity instruction that crosses an order on the LTSE Book may execute at a price less aggressive than its ranked price against an incoming order so long as such execution is consistent with the above restrictions. An order with a Minimum Execution Quantity instruction may be partially executed so long as the execution size of the individual order is equal to or exceeds the quantity provided in the instruction. Any shares remaining after a partial execution will continue to be executed at a size that is equal to or exceeds the quantity provided in the instruction. If posted to the LTSE Book, the order may only execute against individual incoming orders with a size that satisfies the minimum quantity condition. An order with the Minimum Execution Quantity instruction cedes execution priority when it would lock or cross an order against which it would otherwise execute if it were not for the minimum execution size restriction. If a resting Non-Displayed sell (buy) order did not meet the minimum quantity condition of a same-priced resting order to buy (sell) with a Minimum Execution Quantity instruction, a subsequently arriving sell (buy) order that meets the minimum quantity condition will trade ahead of such resting Non-Displayed sell (buy) order at that price. Where the number of shares remaining after a partial execution are less than the quantity provided in the instruction, the Minimum Execution Quantity shall be equal to the number of shares remaining.

- (g) Minimum Price Variation (“MPV”). Bids, offers, or orders in securities traded on the Exchange shall not be made in an increment smaller than: (i) \$0.01 if those bids, offers, or orders are priced equal to or greater than \$1.00 per share; or (ii) \$0.0001 if those bids, offers, or orders are priced less than \$1.00 per share; or (iii) any other increment established by the Commission for any security which has been granted an exemption from the minimum price increments requirements of SEC Rule 612(a) or 612(b) of Regulation NMS.
- (h) Pegged Order. An order that automatically re-prices in response to changes in the NBBO, as further described in LTSE Rule 11.190(c). A User entering a Pegged Order can specify that the order’s price will peg to the NBB or NBO or a certain amount away from the NBB or NBO (offset) or the midpoint of the NBBO, as described below.
- (1) Primary Peg. An order with instructions to peg to the NBB, for a buy order, or the NBO, for a sell order. A User may, but is not required to, select an offset equal to or greater than \$0.01 above or below the NBB or NBO that the order is pegged to (“Primary Offset Amount”). A User submitting a Pegged Order with a Primary Peg instruction may, but is not required to, include a limit price on such order.
- (2) Midpoint Peg. A Pegged Order with an instruction to peg to the midpoint of the NBBO. A User submitting a Pegged Order with a Midpoint Peg instruction may, but is not required to, include a limit price on such order. A Pegged Order with a Midpoint Peg instruction and a limit price that is more aggressive than the midpoint of the NBBO will execute at the midpoint of the NBBO or better subject to its limit price. A Pegged Order with a Midpoint Peg instruction may execute at its limit price or better when its limit price is less aggressive than the midpoint of the NBBO. A Pegged Order with a Midpoint Peg instruction will be ranked at the midpoint of the NBBO where its limit price is equal to or more aggressive than the midpoint of the NBBO. In such case, pursuant to LTSE Rule 11.220, all Pegged Orders with a Midpoint Peg instruction that are ranked at the midpoint of the NBBO will retain their priority as compared to each other based upon the time such orders were initially received by the System. A Pegged Order with a Midpoint Peg instruction will be ranked at its limit price where its limit price is less aggressive than the midpoint of the NBBO.
- (i) Permitted Price. The price at which a sell order will be displayed at one Minimum Price Variation above the NBB.
- (i) Re-Pricing.

- (1) Re-Pricing Instructions to Comply with Rule 610(d) of Regulation NMS
- (A) Display-Price Sliding.
- (i) An order instruction requiring that where an order would be a Locking Quotation or Crossing Quotation of an external market if displayed by the System on the LTSE Book at the time of entry, will be ranked at the Locking Price in the LTSE Book and displayed by the System at one Minimum Price Variation lower (higher) than the Locking Price for orders to buy (sell). A User may elect to have the System only apply the Display-Price Sliding instruction to the extent a display-eligible order at the time of entry would be a Locking Quotation. For Users that select this portion of the Display-Price Sliding instruction, any order will be canceled if, upon entry, such order would be a Crossing Quotation of an external market.
- (ii) An order subject to the Display-Price Sliding instruction will retain its original limit price irrespective of the prices at which such order is ranked and displayed. In the event the NBBO changes such that an order subject to the Display-Price Sliding instruction would not be a Locking Quotation or Crossing Quotation, the order will receive a new timestamp, and will be displayed at the most aggressive permissible price. All orders that are re-ranked and re-displayed pursuant to the Display-Price Sliding instruction will retain their priority as compared to other orders subject to the Display-Price Sliding instruction based upon the time such orders were initially received by the Exchange. Following the initial ranking and display of an order subject to the Display-Price Sliding instruction, an order will only be re-ranked and re-displayed to the extent it achieves a more aggressive price, provided, however, that the Exchange will re-rank an order at the same price as the displayed price in the event such order's displayed price would be a Locking Quotation or Crossing Quotation, which event will not result in a change in priority for the order at its displayed price, and when an away Trading Center publishes a Protected Quotation that locks or crosses the displayed price of a resting Limit Order of Odd Lot size with a multiple price sliding instruction (as described in sub-paragraph (iii) below) and the Exchange does not have a Protected Quotation displayed at such price, the resting Limit

Order will be ranked at the Locking Price in the LTSE Book and displayed by the System at one Minimum Price Variation lower (higher) than the Locking Price for orders to buy (sell).

- (iii) The ranked and displayed prices of an order subject to the Display-Price Sliding instruction may be adjusted once or multiple times depending upon the instructions of a User and changes to the prevailing NBBO. A User that submits an order with a Display-Price Sliding instruction must select either single or multiple price sliding. The Exchange's single price sliding process will only adjust the ranked and displayed prices of an order upon entry and then the displayed price one time following a change to the prevailing NBBO, provided however, that if such an order's displayed price becomes a Locking Quotation or Crossing Quotation then the Exchange will adjust the ranked price of such order and it will not be further re-ranked or redisplayed at any other price. Orders subject to the Exchange's multiple price sliding process will be further re-ranked and re-displayed as permissible based on changes to the prevailing NBBO.
- (iv) Any display-eligible order with a Post Only instruction that would be a Locking Quotation or Crossing Quotation of the Exchange upon entry will be executed or canceled. In the event the NBBO changes such that an order with a Post Only instruction subject to Display-Price Sliding instruction would be ranked at a price at which it could remove displayed liquidity from the LTSE Book, the order will be executed or canceled.
- (v) An order with a Post Only instruction will be permitted to post and be displayed opposite the ranked price of orders subject to Display-Price Sliding instruction. In the event an order subject to the Display-Price Sliding instruction is ranked on the LTSE Book with a price equal to an opposite side order displayed by the Exchange, it will be subject to processing as set forth in LTSE Rule 11.230(a)(4).

(2) Re-Pricing Instructions to Comply with Rule 201 of Regulation SHO.

- (A) An order to sell with a Short Sale instruction that, at the time of entry, could not be executed or displayed in compliance with Rule 201 of Regulation SHO will be re-priced by the System at the Permitted Price. A

User that submits an order with a short sale re-pricing instruction must select either single or multiple price sliding. The Exchange's single price sliding process will only re-price an order upon entry. To reflect declines in the NBB, the Exchange's multiple price sliding process will continue to re-price and re-display a short sale order at the Permitted Price down to the order's limit price. In the event the NBB changes such that the price of an order of Odd Lot size or with a Non-Displayed instruction subject to Rule 201 of Regulation SHO would be a Locking Quotation or Crossing Quotation, the order will be canceled.

(B) When a Short Sale Circuit Breaker is in effect, the System may execute a sell order with a Displayed and Short Sale instruction at the price of the NBB if, at the time of initial display of the sell order with a Short Sale instruction, the order was at a price above the then current NBB.

(C) Orders with a Short Exempt instruction will not be subject to repricing under this section.

(D) If an order is subject to a Display-Price Sliding instruction and also contains a Short Sale instruction when a Short Sale Circuit Breaker is in effect, the re-pricing instructions to comply with Rule 201 of Regulation SHO under this Rule will apply.

(k) Reserve Quantity. The portion of an order that includes a Non-Displayed instruction in which a portion of that order is also displayed on the LTSE Book. Both the portion of the order with a Displayed instruction and the Reserve Quantity are available for execution against incoming orders.

(1) Replenishment Amounts. If the portion of the order with a Displayed instruction is reduced to less than a Round Lot, the System will, in accordance with the User's instruction, replenish the displayed quantity from the Reserve Quantity using one of the below replenishment instructions. Under either instruction below, any order with a Reserve Quantity will be handled as a new order by the System and a new order identification number will be created each time a displayed quantity is replenished. The Exchange will obfuscate the unique order identification number on its data feeds for replenishment of an order with Reserve Quantity. If the remainder of an order is less than the replenishment amount, the Exchange will replenish and display the entire remainder of the order. A User must instruct the Exchange as to the quantity of the order to be initially displayed by the System ("Max Floor") when entering an order with a Reserve Quantity, which is also used to determine the replenishment amount, as set forth below.

- (A) Random Replenishment. An instruction a User may attach to the Reserve Quantity of an order where replenishment quantities for the order are randomly determined by the System in Round Lot increments only within a replenishment range established by the User. In particular, the User entering an order into the System subject to the Random Replenishment instruction must select a replenishment value and Max Floor. The actual quantity that will be initially displayed will be the Max Floor. The displayed replenishment quantities will then be determined by the System by randomly selecting a number of shares within a replenishment range that is between: (i) the Max Floor minus the replenishment value; and (ii) the Max Floor plus the replenishment value. A User entering an order into the System subject to the Random Replenishment instruction must either select immediate replenishment or to have the time interval of such replenishment randomly set by the Exchange. If a User has selected a random time interval, the System will randomly replenish the User's displayed replenishment quantity at different time intervals ranging up to one (1) millisecond following each execution that triggers replenishment. The non-displayed portion of an order subject to Random Replenishment will remain fully executable prior to the replenishment of a User's displayed quantity.
- (B) Fixed Replenishment. For an order for which the Random Replenishment instruction has not been selected, the System will replenish the displayed quantity of the order to the Max Floor designated by the User.

(1) Posting Instructions.

(1) Reserved.

(2) Post Only. An instruction that may be attached to an order that is to be ranked and executed on the Exchange pursuant to LTSE Rule 11.220 and LTSE Rule 11.230(a)(4) or canceled, as appropriate, except that the order will not remove liquidity from the LTSE Book, except as described below. An order with a Post Only instruction and a Display-Price Sliding instruction will remove contra-side liquidity from the LTSE Book if the order is an order to buy or sell a security priced below \$1.00 or if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the LTSE Book and subsequently provided liquidity, including the applicable fees charged or rebates provided. To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the LTSE Book and



subsequently provided liquidity, the Exchange will use the highest possible rebate paid and highest possible fee charged for such executions on the Exchange.

- (m) Short Sale. An instruction on an order which shall have the same meaning as defined in Rule 200(a) of Regulation SHO.
- (n) Short Exempt. An instruction on an order with a Short Sale instruction that satisfies the requirements set forth in Rule 201 of Regulation SHO.
- (o) Time-in-Force (“TIF”).
  - (1) Immediate-or-Cancel (“IOC”). An instruction the User may attach to an order stating the order is to be executed in whole or in part as soon as such order is received. The portion not executed immediately on the Exchange is treated as canceled and is not posted to the LTSE Book.
  - (2) Day. An instruction the User may attach to an order stating that an order to buy or sell is designated for execution starting with the Pre-Market Session and, if not executed, expires at the end of Regular Trading Hours. Any Day Order entered into the System before the opening for business on the Exchange as determined pursuant to LTSE Rule 11.110, or after the closing of Regular Trading Hours, will be rejected.
  - (3) Fill-or-Kill (“FOK”). An instruction the User may attach to an order stating that the order is to be executed in its entirety as soon as it is received and, if not so executed, is canceled.
  - (4) Good-'til Time (“GTT”). An instruction the User may attach to an order specifying the time of day at which the order expires, which is designated for execution starting with the Pre-Market Session. Any unexecuted portion of an order with a TIF instruction of GTT will be canceled at the expiration of the User’s specified time, which can be no later than the close of the Post-Market Session.
  - (5) Regular Hours Only (“RHO”). An instruction a User may attach to an order stating that an order to buy or sell is designated for execution only during Regular Trading Hours and, if not executed, expires at the end of Regular Trading Hours. Any order with a TIF instruction of RHO entered into the System before the opening or after the closing of Regular Trading Hours will be rejected.
- (p) Trading Center. Other securities exchanges, facilities of securities exchanges, automated trading systems, electronic communications networks or other brokers or dealers.

(q) Units of Trading.

- (1) Round Lot. One hundred (100) shares or any multiple thereof shall constitute a Round Lot, unless an alternative number of shares is established as a Round Lot by the listing exchange for the security. Orders that are a Round Lot are eligible to be Protected Quotations.
- (2) Odd Lot. Any amount less than a Round Lot. Orders of Odd Lot size are only eligible to be Protected Quotations if aggregated to form a Round Lot.
- (3) Mixed Lot. Any amount greater than a Round Lot that is not an integer multiple of a Round Lot shall constitute a Mixed Lot. Odd Lot portions of orders of Mixed Lot size are only eligible to be Protected Quotations if aggregated to form a Round Lot.

**Rule 11.190. Order[s] Types and Modifiers**

Users may enter into the System the types of orders listed in this LTSE Rule 11.190, subject to the limitations set forth in this LTSE Rule or elsewhere in these LTSE Rules. [Order, modifier, and parameter combinations which are disallowed by the Exchange may be rejected, ignored, or overridden by the Exchange, as determined by the Exchange to facilitate the most orderly handling of User instructions. All orders resting on the Order Book shall be displayable; this requirement shall not preclude the use of market orders, Immediate-or-Cancel Orders, or Inter-market Sweep Orders which, by their terms, are ineligible to rest on the Order Book.] Any order that is submitted to the System for execution will be an "LTSE Only" Order. By default, orders are limited to a maximum of 1,000,000 shares or \$30,000,000.00.

- (a) [General Order Types] [(1)] Limit Order. An order to buy or sell a stated amount of a security at a specified price ("Limit Price") or better. A "marketable" [ ]Limit [o]Order is a [ ]Limit [o]Order to buy (sell) at or above (below) the lowest (highest) Protected Offer (Protected Bid) for the security. [A limit order:]

[(A) May have a time-in-force ("TIF") supported by the System as described in section (c) of this LTSE Rule 11.190.] (1) Time-in-Force. A Limit Order must have one of the following TIF instructions: Day, IOC, RHO, FOK, or GTT.

[(B) All orders will be treated as LTSE Only, as defined in LTSE Rule 11.190(b)(6).]

[(C) May be an ISO as defined in paragraph (b)(12) below. ISOs must be marked with a TIF of IOC, as defined in LTSE Rule 11.190(c)(1).] (2) Size. A Limit Order may be an Odd Lot, Round Lot or Mixed Lot. A User may include a Minimum Execution Quantity instruction for a Limit Order with a Non-Displayed instruction or TIF of IOC.

[(D) Must be submitted with a limit price.] (3) Display. A Limit Order may include a Displayed instruction or a Non-Displayed instruction.

[(E) May be entered during the Pre-Market Session, Regular Market Session, and Post-Market Session.

- (i) Limit orders marked IOC are accepted and eligible to trade during the Pre-Market Session, Regular Market Session, and Post-Market Session.
- (ii) Limit orders marked DAY, as defined in section (c) of this LTSE Rule 11.190, submitted before the open of the Regular Market Session are queued by the System until the Opening Auction (or Halt Auction, as applicable), pursuant to LTSE Rule 11.350, or the Regular Market Session Opening Process, pursuant to LTSE Rule 11.231. Limit orders marked DAY submitted during the Regular Market Session are accepted and begin trading immediately. Limit orders entered into the System marked DAY, if not fully executed or canceled by the User, expire at the end of the Regular Market Session. Limit orders marked DAY are rejected in the Post-Market Session.
- (iii) Limit orders marked GTT, as defined in section (c) of this LTSE Rule 11.190, are accepted and eligible to trade during the Pre-Market Session, Regular Market Session, and Post-Market Session. Limit orders entered into the System marked GTT begin trading immediately and, if not fully executed or canceled by the User, expire at the earlier of the expiration time assigned by the User or the end of the Post-Market Session.
- (iv) Limit orders marked GTX, as defined in section (c) of this LTSE Rule 11.190, submitted before the open of the Regular Market Session, are queued by the System until the Opening Auction (or Halt Auction, as applicable), pursuant to LTSE Rule 11.350, or the Regular Market Session Opening Process, pursuant to LTSE Rule 11.231. Limit orders marked GTX submitted during the Regular Market Session and Post-Market Session are accepted and begin trading immediately. Limit orders entered into the System marked GTX, if not fully executed or canceled by the User, expire at the end of the Post-Market Session.
- (v) Limit orders marked SYS, as defined in section (c) of this LTSE Rule 11.190, are accepted and eligible to trade during the Pre-Market Session, Regular Market Session, and Post-Market Session. Limit orders entered into the System marked SYS begin trading immediately and, if not fully

executed or canceled by the User, expire at the end of the Post-Market Session.

- (F) May be a MQTY, as defined in paragraph (b)(11) below.
- (G) Must be displayed.]
- (4) Reserve. A Limit Order with a Displayed instruction may include a Reserve Quantity, which will not be displayed by the System. A Limit Order with both a Displayed instruction and Reserve Quantity must include a replenishment instruction and a replenishment amount.
- (5) Intermarket Sweep Order (“ISO”). The System will accept ISOs (as such term is defined in Regulation NMS). To be eligible for treatment as an ISO, the order must be: (i) a Limit Order; (ii) marked “ISO”; and (iii) the User entering the order must simultaneously route one or more additional Limit Orders marked “ISO,” if necessary, to away Trading Centers 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 ISO 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 Trading Centers consistent with Regulation NMS (i.e., may trade through such quotations).

The Exchange relies on the marking of an order as an ISO 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 ISOs. Incoming ISOs must have a TIF instruction of Day, GTT, or IOC. Incoming ISOs cannot include a TIF instruction of FOK or RHO. Any unfilled portion of an incoming ISO with a GTT or Day instruction will be posted by the System to the LTSE Book at the entered limit price. An incoming ISO with a Post Only and TIF instruction of GTT or Day will be canceled without execution if, when entered, it is immediately marketable against an order with a Display instruction resting in the LTSE Book unless such order removes liquidity pursuant to LTSE Rule 11.180(1)(2). A User entering an incoming ISO with a TIF instruction of Day represents that such User has simultaneously routed one or more additional Limit Orders marked “ISO,” if necessary, to away Trading Centers to execute against the full displayed size of any Protected Quotation for the security with a price that is superior or equal to the limit price of the ISO entered in the System. Incoming ISOs may be an Odd Lot, Round Lot, or Mixed Lot. A User may include a Minimum Execution Quantity instruction for an incoming ISO with an IOC instruction.

- (6) Session. A Limit Order can be eligible for execution during the Pre-Market Session, Regular Market Session, and the Post-Market Session.
- (7) Posting. A Limit Order may include a Post Only instruction.
- (8) Locked or Crossed Market. To the extent an incoming Limit Order with a Non-Displayed instruction would be a Crossing Quotation if displayed at its limit price, such order will execute against interest in the LTSE Book at prices up to and including the Locking Price and will then be canceled by the System. A resting Limit Order with a Non-Displayed instruction that would be a Crossing Quotation if displayed at the price at which it is ranked will be canceled by the System. When an away Trading Center publishes a Protected Quotation that locks or crosses the displayed price of a resting Limit Order of Odd Lot size with a Displayed instruction and the Exchange does not have a Protected Quotation displayed at such price, such order will be canceled by the System unless such order contains a multiple price sliding instruction, in which case such order will be re-priced pursuant to LTSE Rule 11.180(j)(1)(A).

The following functionality described in paragraphs (9) – (10) below is available for Limit Orders that are posted to the LTSE Book.

- (9) Re-Pricing Instructions to Comply with Rule 610 of Regulation NMS. A Limit Order may include a Display-Price Sliding instruction or a Cancel Back instruction. A Limit Order to buy (sell) with a limit price that would be a Crossing Quotation at the time of entry into the System will not execute at a price that is higher (lower) than the Locking Price. An incoming ISO that includes a Post Only and TIF instruction of GTT, or Day may be displayed at prices equal to or more aggressive than the Locking Price. However, the System will immediately Cancel Back an ISO that includes a Post Only and TIF instruction of GTT, or Day if the System is displaying orders on the LTSE Book at the Locking Price at the time of the ISO's entry in the System unless such order removes liquidity pursuant to LTSE Rule 11.180(l).
- (10) Re-Pricing Instructions to Comply with Rule 201 of Regulation SHO. A Limit Order that includes a Short Sale instruction that is not marked Short Exempt, and that cannot be executed in the System or displayed by the System on the LTSE Book at its limit price because a Short Sale Circuit Breaker is in effect, will be subject to the Re-Pricing Instruction to comply with Rule 201 of Regulation SHO if the order includes a Display-Price Sliding instruction or will be subject to the Cancel Back instruction. The System will immediately Cancel Back an incoming ISO combined with a TIF instruction of GTT or Day and a Short Sale instruction

that does not include a Short Exempt instruction and that cannot be executed or displayed at its limit price at the time of entry into the System because of the existence of a Short Sale Circuit Breaker.

- [2](b) Market Order. An order to buy or sell a stated amount of a security that is to be executed at [or better than] the NBBO or better when the order reaches the Exchange. [Market orders shall not trade through Protected Quotations. Any portion of a market order that is designated as “LTSE Only” will be canceled if upon receipt by the System, it cannot be executed by the Exchange in accordance with LTSE Rule 11.230. A market order:
- (A) Must have a TIF of IOC or DAY.] (1) Time-In-Force. A Market Order must have one of the following TIF instructions: Day, IOC, RHO, or FOK. A Market Order that includes a TIF instruction of FOK will be canceled if not executed in full immediately after entry into the System.
  - [(B) All orders will be treated as LTSE Only, as defined in LTSE Rule 11.190(b)(6).] (2) Size. Market Orders may be an Odd Lot, Round Lot, or Mixed Lot. A User may attach a Minimum Execution Quantity instruction to a Market Order with a TIF instruction of IOC.
  - [(C) May not be an ISO, as defined in paragraph (b)(12) below.] (3) Display. A Market Order is not eligible to be displayed on the LTSE Book and will be canceled if not executed by the System.
  - [(D) May not be submitted with a limit price.] (4) Session. A Market Order is only eligible for execution by the System during the Regular Market Session.
  - [(E) May only be submitted during the Regular Market Session. Market orders submitted during the Pre-Market Session or the Post-Market session will be rejected by the System.
    - (i) Market orders marked IOC are rejected during the Pre-Market Session and Post-Market Session. Market orders marked IOC are accepted and eligible to trade during the Regular Market Session.
    - (ii) Market orders marked DAY are rejected during the Pre-Market Session and Post-Market Session. Market orders marked DAY are eligible to trade during the Regular Market Session and treated by the System as having a TIF of IOC.
    - (iii) Market orders marked GTT are rejected.

- (iv) Market orders marked GTX are rejected.
  - (v) Market orders marked SYS are rejected.
  - (vi) May be a MQTY, as defined in paragraph (b)(11) below.
  - (vii) Market orders are never displayable.
- (3) All orders are processed, prioritized, time-stamped and managed as described in LTSE Rule 11.220.]
- (5) Reserved.
- (6) Execution. A Market Order shall not trade through a Protected Quotation. A Market Order with a Book Only instruction will be canceled if, when reaching the Exchange, it cannot be executed by the System in accordance with LTSE Rule 11.190(b). Any portion of a Market Order that would execute at a price more than \$0.50 or 5 percent worse than the NBBO at the time the order initially reaches the Exchange, whichever is greater, will be canceled.
- (7) No Available NBBO. A Market Order received by the System when the NBBO is not available will be rejected or canceled back to the entering User.
- (c) Pegged Order. A User may indicate to peg an order to a reference price, including an instruction of Primary Peg (the NBB for buy orders and NBO for sell orders) or an instruction of Midpoint Peg (the midpoint of the NBBO). The System's calculation of the NBBO does not take into account any Pegged Orders that are resting on the LTSE Book. A new timestamp is created for a Pegged Order each time it is automatically re-priced.
- (1) Time-in-Force. A Pegged Order may contain the following TIF instructions: Day, FOK, IOC, RHO or GTT. Any unexecuted portion of a Pegged Order with a TIF instruction of Day or GTT that is resting on the LTSE Book will receive a new timestamp each time it is re-priced in response to changes in the midpoint of the NBBO.
  - (2) Size. Pegged Orders may be entered as an Odd Lot, Round Lot or Mixed Lot. A User may include a Minimum Execution Quantity instruction.
  - (3) Display. Pegged Orders are not eligible to include a Displayed instruction.
  - (4) Session. Pegged Orders may be executed during the Pre-Market Session, the Regular Market Session, and the Post-Market Session.

- (5) Posting. A Pegged Order may include Post Only instruction.
- (6) Locked or Crossed Market. To the extent an incoming Pegged Order would be a Crossing Quotation if displayed at the price at which it would be ranked in the LTSE Book, such order will execute against interest in the LTSE Book at prices up to and including the Locking Price and will then be canceled by the System. A Pegged Order resting on the LTSE Book is not eligible for execution when a Locking or Crossing Quotation exists. In such cases, a Pegged Order would rest on the LTSE Book and would not be eligible for execution in the System until a Locking Quotation or Crossing Quotation no longer exists.
- (7) No Available NBBO. A Pegged Order received by the System when the NBBO is not available will be rejected or canceled back to the entering User. A Pegged Order resting on the LTSE Book will be canceled back to the User when the NBB or NBO that the order is pegged to is no longer available.

[(b) Order Parameters

- (1) Reserved.
- (2) Reserved.
- (3) Reserved.
- (4) Odd Lot Order. An order to buy or sell an odd lot as defined by Rule 11.180.
- (5) Mixed Lot Order. An order to buy or sell a mixed lot as defined by Rule 11.180. Odd lot portions of mixed lot orders are only eligible to be Protected Quotations if aggregated to form a round lot.
- (6) LTSE Only Order. Any order that is submitted into the System. LTSE Only Orders are ranked and executed on the Exchange pursuant to LTSE Rule 11.220 and LTSE Rule 11.230(a). An LTSE Only Order posting to the Order Book will be subject to the price sliding process as set forth in section (g).
- (7) Reserved.



- (8) Reserved.
- (9) Reserved.
- (10) Reserved.
- (11) Minimum Quantity Order (“MQTY”). An order which must have at least the minimum indicated share size satisfied in order to execute. Upon order entry or order amendment by the User the “effective minimum quantity” of an order is equal to the lesser of the submitted minimum quantity or the total share size of the order. A MQTY:
  - (A) May be a market order or limit order.
  - (B) Will have a TIF of IOC as described in LTSE Rule 11.190(c)(1).
  - (C) Reserved.
  - (D) May not be an ISO, as defined in paragraph (b)(12) below.
  - (E) May be submitted with or without a limit price.
  - (F) May be entered during the Pre-Market Session, Regular Market Session, and Post-Market Session.
  - (G) May be an odd lot, round lot, or mixed lot.
- (12) Inter-market Sweep Orders. The System will accept incoming Inter-market Sweep Orders (“ISO”) (as such term is defined in Regulation NMS). In order to be eligible for treatment as an ISO, 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 Inter-market 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 User’s

responsibility, and not the Exchange's responsibility, to comply with the requirements of Regulation NMS relating to ISOs. An ISO:

- (A) Must be a limit order.
  - (B) Must have a TIF of IOC.
  - (C) Reserved.
  - (D) Must be submitted with a limit price.
  - (E) May be submitted during the Pre-Market Session, Regular Market Session, and Post-Market Session.
  - (F) May not be marked MQTY.
  - (G) May be an odd lot, round lot, or mixed lot.
- (c) Time-in-Force. Orders must have one of the following TIF instructions:
- (1) Immediate-or-Cancel ("IOC"). Orders entered into the System marked IOC are executed on the Exchange, in whole or in part, as soon as such order is received, and the portion not so executed is canceled. Orders marked IOC are never posted to the Order Book.
  - (2) Day ("DAY"). Orders entered into the System marked DAY may queue during the Pre-Market Session. When queued, orders will participate in the Opening Process before becoming available for the Regular Market Session. Orders marked DAY are only available for trading during the Regular Market Session, and expire at the end of the Regular Market Session.
  - (3) Good 'til Extended Day ("GTX"). Orders entered into the System marked GTX may queue during the Pre-Market Session. When queued, orders will participate in the Opening Process before becoming available for the Regular Market Session. Orders marked GTX are available for trading during both the Regular Market Session and Post-Market Session, and expire at the end of the Post-Market Session.
  - (4) System Session ("SYS"). Orders entered into the System marked SYS may trade during System Hours and expire at the end of the Post-Market Session.

- (5) Good 'til Time ("GTT"). Orders entered into the System marked GTT may trade during System Hours and expire at the earlier of the User specified expire time, or the end of the Post-Market Session.
- (d) Cancel and Cancel/Replace ("Order Amendment") 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 replaced if the order has a TIF instruction other than IOC, and if the order has not yet been fully executed. Market orders may not be replaced.
  - (2) Reserved.
  - (3) Supported Fields. Only the limit price and the order quantity size of the order may be changed by a Replace Message and are considered supported fields. If a User desires to change any other terms of an existing order, the existing order must be canceled and a new order must be entered.
  - (4) Invalid Fields. Symbol, side, execution instruction, order type, and TIF are considered invalid fields. If a User attempts to modify an invalid field by submitting a Replace Message, the order amendment will be rejected by the Exchange. If a User desires to modify an invalid field on an order, the existing order must be canceled, and a new order must be entered.
  - (5) Unsupported Fields. All fields not listed in paragraph (3) and (4) above are considered unsupported fields. If a User desires to modify an unsupported field, the existing order must be canceled and a new order must be entered.
  - (6) If an Order Amendment contains an invalid field, as defined in paragraph (4) above, alone or in conjunction with a supported field, defined in paragraph (3) above, the Exchange will reject the amendment. If an Order Amendment contains an unsupported field alone, defined in paragraph (5) above, the Exchange will reject the amendment. If an Order Amendment contains an unsupported field and a supported field, the Exchange will amend the supported field and ignore the unsupported field. The Exchange will periodically update its FIX specification to specify supported fields, invalid fields, and unsupported fields.

- (7) Cancel and Cancel/Replace messages will be processed in the order in which they are received by the System.
  - (8) Notwithstanding anything to the contrary in these LTSE Rules, no cancellation or replacement of an order will be effective until such message has been received and processed by the System
- (e) AGID Modifier. Any active order designated with an AGID modifier will be prevented from executing against a resting opposite side order also designated with the same AGID modifier and originating from the same MPID or Exchange User (any such identifier, a “group type”). In situations when two orders subject to anti-internalization would match, the older of the orders is canceled. A determination of “older” in this regard is based upon the time the order is received by the System, including by initial order entry or User revision (i.e., Cancel/Replace). The group type elected by a Member controls the interaction between two orders marked with AGID modifiers.
- (1) Group Type. The User group type will prevent any two orders from matching that are marked with the same AGID modifier originating from the same User. The MPID group type will also prevent any two orders from matching that are marked with the same AGID modifier originating from the same MPID.
  - (2) Default Order Marking. Based on User instruction, the Exchange may mark orders with a default AGID modifier by FIX session (i.e., order entry port). Principal and Agency/Riskless Principal orders may have different default settings.
  - (3) Free-to-Trade Identifier. Users may designate an order as available to match with opposite side orders within the elected group type by marking the AGID modifier of the order with the “free-to-trade” identifier.
  - (4) Compatibility with MQTY, as described in paragraph (b)(11) above. In the event an active order subject to anti-internalization is a MQTY the Exchange will determine satisfaction of the size requirement without excluding any resting orders from the same User or MPID that would otherwise be canceled under anti-internalization. This may result in total executed shares being less than the minimum quantity size value in an amount equal to the shares prevented from executing resulting from anti-internalization.

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\* \* \* \* \* **Supplementary Material** \* \* \* \* \*

**.01 Best Execution**

*The Exchange notes that use of the AGID modifier does not relieve or otherwise modify the duty of best execution owed to orders received from customers. As such, market participants using the AGID modifier will need to take appropriate steps to ensure customer orders that do not execute because they were subject to anti-internalization ultimately receive the same execution price (or better) than they would have originally obtained if execution of the order was not inhibited by anti-internalization.*

**.02 Firm Quote Obligations**

*Market Makers and other Users must not use the AGID modifier to evade the firm quotation obligation, as specified in LTSE Rule 11.151(b).*

**.03 Just and Equitable Principles of Trade**

*The AGID modifier must be used in a manner consistent with just and equitable principles of trade.*

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(f) Order Price Collars and Constraints

- (1) Order Collar. Except for orders that are eligible for the Opening Process for Non-LTSE-Primary-Listed Securities or the Auction Book pursuant to LTSE Rule 11.350(a)(1) during the auction process for LTSE-Primary-Listed Securities, the Exchange Order Collar prevents any incoming order or order resting on the Order Book, including those marked ISO, from executing at a price outside the Order Collar price range, i.e. prevents buy orders from trading at prices above the collar and prevents sell orders from trading at prices below the collar. The Order Collar price range is calculated using the numerical guidelines for clearly erroneous executions. Executions are permitted at prices within the Order Collar price range, inclusive of the boundaries. Any portion of a market order that would execute at a price beyond the Order Collar is canceled. Any remainder of a limit order that would execute at a price beyond the Order Collar is posted to the Order Book or canceled as per User instructions. Limit orders may be posted on the Order Book at the Order Collar Price, but never more aggressive. Such orders may be re-priced to a compliant price within or at the Order Collar as the Order Collar price changes due to changing market conditions.

- (A) The Order Collar Reference Price is equal to the most current of the following:
- (i) Consolidated last sale price disseminated during the Regular Market Session on trade date.
  - (ii) Last trade price disseminated outside of the Regular Market Session (Form T, as communicated by the relevant SIP) on trade date which other than for the Form T designation would have been considered a valid last sale price.
  - (iii) If neither (i) or (ii) are available, prior day's Official Closing Price from the listing exchange, adjusted to account for corporate actions, news events, etc.
- (B) In the absence of an Order Collar Reference Price, the Exchange will either prevent trading in a security (by rejecting orders for the security) or suspend the Order Collar function, in the interest of maintaining a fair and orderly market in the impacted security.
- (C) The Exchange calculates the Order Collar price range for a security by applying the Numerical Guideline for the appropriate market session and reference price (see table below) to the Order Collar Reference Price, as defined in paragraph (A) above. The result is added to the Order Collar Reference Price to determine the Order Collar Price for buy orders, while the result is subtracted from the Order Collar Reference Price to determine the Order Collar Price for sell orders. The appropriate Order Collar Price is assigned to all orders upon entry and enforced throughout the life of an order; the Order Collar Price is updated each time the Order Collar Reference Price is updated by the System.
- (D) The Numerical Guideline used in the Order Collar Price calculation is based on the table below:

<b>ORDER COLLAR REFERENCE PRICE</b>	<b>REGULAR MARKET SESSION NUMERICAL GUIDELINES</b>	<b>PRE-MARKET AND POST- MARKET SESSIONS NUMERICAL GUIDELINES</b>
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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%

These percentages are based upon the numerical guidelines for clearly erroneous executions under LTSE Rule 11.270.

- (2) Reserved.
- (3) **Crossed Market Collar.** In the event that a Protected Bid is crossing a Protected Offer, the System does not execute any portion of an active buy order at a price more than the greater of five cents (\$0.05) or one half of a percent (0.5%) higher than the lowest Protected Offer, or any portion of an active sell order at a price more than the greater of five cents (\$0.05) or one half of a percent (0.5%) lower than the highest Protected Bid, unless such order is marked ISO. When an order posts to or is resting on the Order Book while a Protected Bid is crossing a Protected Offer, the order will price slide in accordance with the price sliding process, pursuant to LTSE Rule 11.190(g).
- (4) **One-Sided Markets.** One-Sided Markets are markets which lack either a Protected Bid or a Protected Offer.
  - (A) Reserved.
  - (B) In a One-Sided Market, orders are handled in the following manner:
    - (i) When LTSE receives a limit order marked LTSE Only on the same side of the market as the Protected Bid or Protected Offer the limit order marked LTSE Only posts and displays at the most aggressive allowable price.
    - (ii) When LTSE receives a limit order marked LTSE Only on the side of the market opposite a best Protected Quote, the limit order marked LTSE Only is eligible to trade with interest that is present

on the Exchange and will post any unexecuted shares, order instructions allowing, subject to price sliding, as per section (g) below.

- (g) Price Sliding. The System will process orders pursuant to the “price sliding process,” which includes the following:
- (1) Price Sliding.
    - (A) An order that, at the time of entry, would create a violation of Rule 610(d) of Regulation NMS by locking or crossing a Protected Quotation of an external market will be ranked and displayed by the System at one (1) minimum price variant (“MPV”) below the current NBO (for bids) or one (1) MPV above the current NBB (for offers) (“price sliding”).
    - (B) An order subject to price sliding will retain its limit price irrespective of the price at which such order is ranked and displayed. In the event the NBBO changes such that an order subject to price sliding would no longer lock or cross the Protected Quotation of an external market, the order will receive a new timestamp, and will be displayed at the most aggressive permissible price. Such orders may be repriced once or multiple times, depending on changing market conditions and the order’s limit price.
    - (C) The following orders are subject to price sliding:
      - (i) LTSE Only orders are always subject to price sliding, as applicable.
  - (2) Reserved.
  - (3) Locked and Crossed Markets.
    - (A) In the event that the market becomes locked, the System will observe the following practices:
      - (i) Resting orders at the price of the locking quotation (“locking price”) as defined in LTSE Rule 11.310 that were originally in compliance with rules and regulations of the Exchange and the Act will maintain their displayed price and quantity.



- (ii) Orders posting to the Order Book on the same side as an order which is locked, as per subparagraph (i) above, are not permitted to join the locking price. Such orders will be displayed and ranked by the System pursuant to the Exchange's price sliding practices described in paragraph (1) above.
- (B) In the event that the market becomes crossed, the System will observe the following practices:
  - (i) Resting orders that are displayed at a price which has become crossed and were originally in compliance with rules and regulations of the Exchange and the Act will maintain their displayed price and quantity.
  - (ii) Buy (sell) orders being posted to the Order Book during a crossed market will be displayed and ranked by the System one (1) MPV below (above) the lowest Protected Offer (highest Protected Bid).
- (4) Short Sale Price Sliding. The re-pricing described in this subparagraph constitutes "short sale price sliding" for short sale orders.
  - (A) For purposes of this LTSE Rule, the terms "covered security", "listing market", and "national best bid" shall have the same meaning as in Rule 201 of Regulation SHO. The term Short Sale Period is defined in LTSE Rule 11.290(d). The term Short Sale Price Test is defined in LTSE Rule 11.290(b).
  - (B) During a Short Sale Period, any active short sale order not marked short exempt is prevented by the System from executing at or below the current NBB.
  - (C) A short sale order not marked short exempt that, at the time of entry, could not be executed or displayed in compliance with Rule 201 of Regulation SHO will be repriced and ranked by the System on the Order Book at a price equal to one MPV above the current NBB (the "Permitted Display Price"). To reflect declines in the NBB, the System will continue to re-price a resting short sale order not marked short exempt to be equal to the higher of the order's limit price or a Permitted Display Price.

- (D) During a Short Sale Period, the System may execute a short sale order not marked short exempt below the Permitted Display Price if, at the time of initial display of such short sale order, the order was displayed at a price above the then current NBB.
- (5) During a Short Sale Period, orders marked "short exempt" will not be subject to short sale price sliding. The System will accept orders marked "short exempt" at any time when the System is open for order entry, regardless of whether the Short Sale Price Test has been triggered.
- (6) Limit Up-Limit Down Price Constraint. For purposes of this LTSE Rule 11.190, the terms "Plan" and "Limit Up-Limit Down Plan" mean the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS. The term "Lower Price Band" and "Upper Price Band" (each a "Band Price") shall be defined as per the Plan. An order that would post to the Order Book with a limit price more aggressive than the applicable Upper Price Band (for buy orders) or Lower Price Band (for sell orders) will be posted, and displayed if applicable, at the Price Band. An order subject to Limit Up-Limit Down Price Constraint will retain its limit price irrespective of the prices at which such order is ranked. In the event the Band Price changes such that an order subject to Limit Up-Limit Down Price Constraint would no longer be more aggressive than the Band Price, the order will be re-priced to the most aggressive allowable price and receive a new timestamp.

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\* \* \* \* \* *Supplementary Material* \* \* \* \* \*

**.01 Price Sliding and Time Priority.**

*Due to the way in which LTSE processes actions to resting orders, specifically when re-pricing, orders' relative time priority is generally preserved. LTSE assigns time priority, specifically a resting order's time priority, as the time when it is posted to the book at a given price, and each time the System re-prices an order, it necessarily receives a new time priority (i.e. timestamp).*

*Please note that except in the rare instance of Limit Up-Limit Down Band Prices and LTSE Order Collars requiring it, LTSE will otherwise never re-price a order already posted on the Order Book to a less aggressive price. Orders already posted are otherwise only ever re-priced to more aggressive prices, as allowed by the prevailing market and the limit price indicated by Users on those orders.*

**.02 Price Sliding of Displayed Orders Resting on the Order Book.**

*Orders displayed on the Exchange which were displayed at a price compliant with Regulation NMS are generally permitted to maintain their price in the event an away trading center locks or crosses the price of the LTSE order.]*

## Rule Series 11.200. Order Guidelines

### **Rule 11.210. Reserved. [Minimum Price Variant**

- (a) Bids, offers or orders in securities traded on the Exchange shall not be made in an increment smaller than:
- (1) \$0.01 if those bids or offers are priced equal to or greater than \$1.00 per share; or
  - (2) \$0.0001 if those bids or offers are priced less than \$1.00 per share, and the security is an NMS stock pursuant to Regulation NMS Rule 600(b)(47), 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 Regulation NMS Rule 612(a) or 612(b).]

### **Rule 11.220. Priority of Orders**

- (a) Ranking. Orders of Users shall be ranked and maintained in the LTSE Book based on the following priority:
- (1) Price. The highest-priced order to buy (lowest-priced order to sell) shall have priority over all other orders to buy (sell) in all cases.
  - (2) Time. Subject to the execution process described in LTSE Rule 11.230(a), the following priority rules shall apply:
    - (A) Where orders to buy (sell) are entered into the System 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. Except as provided in paragraphs (B) and (C) below, the System shall rank equally priced trading interest within the System in time priority in the following order:

- (i) The portion of a Limit Order with a Displayed instruction;
  - (ii) Limit Orders with a Non-Displayed instruction;
  - (iii) Orders with a Primary Peg instruction;
  - (iv) Orders with a Midpoint Peg instruction; and
  - (v) Reserve Quantity of Limit Orders.
- (B) At the Midpoint of the NBBO. Where orders to buy (sell) are priced at the midpoint of the NBBO, the order clearly established as the first priced at the midpoint of the NBBO within each sub-paragraph below shall have precedence at the mid-point of the NBBO, up to the number of shares of stock specified in the order. The System shall rank trading interest priced at the midpoint of the NBBO within the System in time priority in the following order:
- (i) Limit Orders to which the Display-Price Sliding instruction has been applied;
  - (ii) Limit Orders with a Non-Displayed instruction;
  - (iii) Orders with a Primary Peg instruction;
  - (iv) Orders with a Midpoint Peg instruction; and
  - (v) Reserve Quantity of Limit Orders.
- (C) Where buy (sell) orders are using instructions that cause them to be re-ranked by the System upon clearance of a Locking Quotation, the System shall re-rank and display such orders at the Locking Price in time priority in the following order:
- (i) Limit Orders to which the ISO instruction has been applied that also contain a TIF instruction of Day when such orders establish a new NBBO at the Locked Price; and
  - (ii) Limit Orders to which the Display-Price Sliding instruction has been applied.
- (D) For purposes of paragraphs (A) and (B) above, orders re-ranked subject to the Re-Pricing instruction to comply with Rule 201 of Regulation SHO

under LTSE Rule 11.180(j)(2), maintain the same priority as Limit Orders at that price.

- (3) STP Modifiers. Pursuant to LTSE Rule 11.230(d), users may direct that orders entered into the System not execute against orders entered under the same Unique Identifier. In such a case, the System will not permit such orders to execute against one another, regardless of priority ranking.
  - (4) Cancel/Replace. In the event an order has been canceled or replaced in accordance with LTSE Rule 11.230(f) below, such order only retains time priority if such modification involves a decrease in the size of the order, a change to Max Floor of an order with a Reserve Quantity, the sell long indicator, or Short Sale instruction. 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 time priority as compared to other orders in the LTSE Book and the timestamp for such order being revised to reflect the time of the modification.
  - (5) In the event that an order is executed against an incoming order in accordance with LTSE Rule 11.230 for less than its full size, the unexecuted size of the order shall retain its original time priority and be ranked in accordance with paragraphs (1) and (2) above.
  - (6) Replenishment from Reserve Quantity. The displayed quantity of a Limit Order shall have time priority as of the time of display. A new timestamp is created for the displayed portion and Reserve Quantity of the order each time it is replenished from the Reserve Quantity.
- (b) Dissemination.
- (1) The best-ranked order(s) to buy and the best-ranked order(s) to sell that are displayable in the LTSE 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.
  - (2) Pursuant to Rule 602 of Regulation NMS, the Exchange will transmit for display to the appropriate securities information processor for each security:
    - (A) the highest price to buy wherein the aggregate size of all displayed buy interest in the System greater than or equal to that price is one round lot or greater;

- (B) the aggregate size of all displayed buy interest in the System greater than or equal to the price in (A), rounded down to the nearest round lot;
- (C) the lowest price to sell wherein the aggregate size of all displayed sell interest in the System less than or equal to that price is one round lot or greater; and
- (D) the aggregate size of all displayed sell interest in the System less than or equal to the price in (C), rounded down to the nearest round lot.

[Determination of Rank.

- (1) Orders resting in the Order Book shall be ranked and maintained based on the following priority:
  - (A) Price. Orders are ranked by the price at which they are resting on the Order Book (“Resting Price”). The best priced order (the highest priced resting order to buy or the lowest priced resting order to sell) shall have priority over all other orders to buy (or orders to sell) in all cases.
  - (B) Reserved.
  - (C) Time. The System shall rank equally priced trading interest within the System in time priority. Subject to the Execution Process described below, where orders to buy (or sell) are resting at the same price, the order clearly established as the oldest in the System at such particular price shall have precedence, up to the number of shares of stock specified in the order. Orders are ranked by the time at which they are posted to the Order Book at a given price, the first to be posted at a given price being the oldest. Orders maintain their time priority once booked until one of the following occur, at which time the order will receive a new timestamp:
    - (i) Order is incremented by the User by means of a Cancel/Replace pursuant to LTSE Rule 11.190(d).
    - (ii) Order is re-priced by the User by means of a Cancel/Replace pursuant to LTSE Rule 11.190(d).
    - (iii) Reserved.
    - (iv) Order is incremented by the System.
    - (v) Reserved.

- (vi) Order is re-priced by the System pursuant to LTSE Rule 11.190(g).
- (2) Orders queued for the Regular Market Session Opening Process for Non-LTSE-Primary-Listed Securities shall be ranked and maintained in time priority. The order established as the oldest in the System shall have precedence among those queued for the Opening Process, up to the number of shares of security specified in the order. Orders are ranked by the time at which they are submitted to the queue, the first to be queued being the oldest. Orders maintain their time priority once queued unless an amendment to the order is submitted by the User by means of a Cancel/Replace pursuant to LTSE Rule 11.190(d), except in the event that the only change to the order is a decrease in share quantity, in which case the order will not receive a new timestamp.
  - (3) Decrementing Order Quantity and Priority. 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 resting price in accordance with paragraph (1) above. In the event that an order is decremented by the User by means of a Cancel/Replace pursuant to LTSE Rule 11.190(h), the order will not receive a new timestamp.
  - (4) Price Sliding and Priority. The Exchange assigns time priority, specifically a resting order's time priority, as the time when it is posted to the Order Book at a particular price, and each time the System re-prices an order, it necessarily receives a new time priority (i.e. timestamp).
  - (5) Surrendering Precedence. In the event a resting order having precedence on the Order Book cannot be executed due to its order instructions, the resting order surrenders its precedence in the Order Book only for the duration of the System processing the current active order. In the event a resting order having precedence on the Order Book cannot be executed due to the active order's order instructions, that resting order does not surrender its precedence, and the active order stops executing for this Order Book processing action.
  - (6) Order Book Action Priority.
    - (A) Order Book Actions are actions taken by the System on orders resting in the Order Book and include:
      - (i) Re-pricing of orders.
    - (B) Each time the System initiates a Book Action pursuant to LTSE Rule 11.220(a)(6) on an order resting on the Order Book, it does so pursuant to the Order Book priority pursuant to LTSE Rule 11.220(a)(1), with the

timestamp of the order or the portion of the order upon which the action is taken being used to determine time priority and the order's Resting Price on the Order Book being used to determine price priority.

- (7) Anti-Internalization. Pursuant to LTSE Rule 11.190(e), Users may direct that orders entered into the System not execute against orders entered under the same AGID modifier. In such a case, the System will not permit such orders to execute against one another, regardless of priority ranking.
- (8) Incoming Messages.
  - (A) New Orders, Cancel and Cancel/Replace messages received from Users, market data messages, and System component generated messages are processed by the System in strict time sequence.
- (b) Dissemination. The best-ranked order(s) are disseminated pursuant to LTSE Rule 11.240(c)(1).]

#### **Rule 11.230. Order Execution**

Subject to the restrictions under these Exchange Rules or the Act, and the rules and regulations thereunder, orders shall be matched for execution in accordance with this LTSE Rule 11.230.

- (a) No change.
  - (1) Compliance with Rule 201 of Regulation SHO. For any execution of a short sale order to occur on the Exchange when a short sale price test restriction is in effect, the execution price must be higher than (i.e., above) the NBB, unless the sell order was initially displayed by the System at a price above the then current NBB or is marked "short exempt" pursuant to Regulation SHO. Short sale orders are subject to the short sale price sliding process pursuant to LTSE Rule [11.190(g)(4)] 11.190(a)(10), as well as any other applicable price sliding process.
  - (2) Compliance with Regulation NMS and Trade-Through Protection
    - (A) No change.
    - (B) Pre-Market Session and Post-Market Session. For any execution to occur during the Pre-Market Session or Post-Market Session, the price must be equal to or better than the highest Protected Bid or lowest Protected Offer in the LTSE Book or disseminated by the responsible single plan processor, unless the order is marked ISO or a Protected Bid is crossing a Protected Offer. Notwithstanding the foregoing, in the event that a



Protected Bid is crossing a Protected Offer, whether during or outside of Regular Trading Hours, unless the order is marked ISO, the Exchange will not execute any portion of a bid at a price more than the greater of 5 cents or 0.5 percent higher than the lowest Protected Offer or any portion of an offer that would execute at a price more than the greater of 5 cents or 0.5 percent lower than the highest Protected Bid. Upon instruction from a User, the Exchange will cancel any incoming order from such User in the event a Protected Bid is crossing a Protected Offer.

- [(C) Crossed Markets. Notwithstanding sub-paragraphs (A) and (B) above, in the event that a Protected Bid is crossing a Protected Offer, whether during or outside of the Regular Market Session, unless an order is marked ISO, the Exchange will enforce the Crossed Market Collar pursuant to LTSE Rule 11.190(f)(3) and the price sliding process pursuant to LTSE Rule 11.190(g)(3).]
- (3) [Compliance with Limit Up-Limit Down. For any executions to occur during the Regular Market Session, such executions must comply with the Plan, as set forth in LTSE Rule 11.281 and the price sliding process pursuant to LTSE Rule 11.190(g)(5).] Compliance with the requirements of the LULD Plan. Except as provided in Section VI of the LULD Plan, for any executions to occur during Regular Trading Hours, such executions must occur at a price that is greater than or equal to the Lower Price Band and less than or equal to the Upper Price Band, when such Price Bands are disseminated. The Exchange's procedures for handling, executing, re-pricing and displaying orders in connection with the LULD Plan are further described in LTSE Rule 11.281(b)(1)(A)(i).
- (4) Execution against the LTSE Book. No change.
- (A) No change.
- (B) No change.
- (C) Consistent with LTSE Rules 11.180 and 11.190, based on User instructions, certain orders are permitted to post and rest on the LTSE Book at prices that lock contra-side liquidity, provided, however, that the System will never display a locked market. Subject to subparagraph (D) below, if an incoming order, pursuant to LTSE Rule (A) or (B) above, is on the same side of the market as an order displayed on the LTSE Book and upon entry would execute against contra-side interest at the same price as such displayed order, such incoming order will be canceled or

posted to the LTSE Book and ranked in accordance with LTSE Rule 11.220.

- (D) For bids or offers equal to or greater than \$1.00 per share, in the event that an incoming order described in subparagraphs (A) or (B) above is a Market Order or is a Limit Order priced more aggressively than an order displayed on the LTSE Book, the Exchange will execute the incoming order at, in the case of an incoming sell order, one-half minimum price variation less than the price of the displayed order, and, in the case of an incoming buy order, at one-half minimum price variation more than the price of the displayed order. For bids or offers under \$1.00 per share, this sub-paragraph is inapplicable.
- (5) Short Sales. All orders to sell short shall include a Short Sale instruction, and if applicable, a Short Exempt instruction when entered into the System. If an order includes a Short Exempt instruction, the Exchange shall execute, display and/or route an order without regard to any short sale price test restriction in effect under Regulation SHO. The Exchange relies on the inclusion of a Short Exempt instruction 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 SHO relating to including a Short Exempt instruction on an order.
- (b) [Reserved.] Display of Automated Quotations. The System will be operated as an "automated trading 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, in which case the System will be disabled and will be unable to accept any orders. The Exchange shall promptly communicate to Users the unavailability of the System. All orders will be designated by the System as non-attributable and displayed (price and size) on the LTSE Book Feed on an anonymous basis by the System.
- (c)[Reserved.]
- (d) Self-Help. No change.
- (1) No change.
- (2) No change.
- (e) [Reserved.] Self Trade Protection ("STP") Modifiers. Any incoming order designated with an STP modifier will be prevented from executing against a resting opposite side

order also designated with an STP modifier and originating from the same market participant identifier (“MPID”), Exchange Member identifier or STP Group identifier (any such identifier, a “Unique Identifier”). The STP modifier on the incoming order controls the interaction between two orders marked with STP modifiers.

- (1) STP Cancel Newest (“CN”). An incoming order marked with the “CN” modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The incoming order marked with the CN modifier will be canceled back to the originating User(s). The resting order marked with an STP modifier will remain on the LTSE Order Book.
  - (2) STP Cancel Oldest (“CO”). An incoming order marked with the “CO” modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The resting order marked with the STP modifier will be canceled back to the originating User(s). The incoming order marked with the CO modifier will remain on the LTSE Order Book.
  - (3) STP Decrement and Cancel (“DC”). An incoming order marked with the “DC” modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. If both orders are equivalent in size, both orders will be canceled back to the originating User(s). If the orders are not equivalent in size, the smaller order will be canceled back to the originating User(s) and the larger order will be decremented by the size of the smaller order, with the balance remaining on the book.
  - (4) STP Cancel Both (“CB”). An incoming order marked with the “CB” modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. The entire size of both orders will be canceled back to the originating User(s).
  - (5) STP Cancel Smallest (“CS”). An incoming order marked with the CS modifier will not execute against opposite side resting interest marked with any STP modifier originating from the same Unique Identifier. If both orders are equivalent in size, both orders will be canceled back to the originating User(s). If the orders are not equivalent in size, the smaller of the two orders will be canceled back to the originating User and the larger order will remain on the LTSE Order Book.
- (f) Cancel/Replace Messages. A User may cancel or replace an existing order entered by the User, subject to the following limitations.

- (1) Orders may only be canceled or replaced if the order has a TIF instruction other than IOC and FOK and if the order has not yet been executed in its entirety.
- (2) Reserved.
- (3) Other than changing a Limit Order to a Market Order, only the price, the sell long indicator, Short Sale instruction, Max Floor of an order with a Reserve Quantity, and size of the order may be changed by a Replace Message. If a User desires to change any other terms of an existing order the existing order must be canceled 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 11.231. Reserved. [Regular Market Session Opening Process for Non-LTSE-Primary-Listed Securities**

- (a) Pre-Market Order Queue. Orders for Non-LTSE-Primary-Listed Securities not eligible for trading prior to the commencement of the Regular Market Session that are received and queued during the Pre-Market Session as described in Rule 11.190(a) are queued in the time sequence of their receipt by the System, pursuant to Rule 11.220(a)(2).
- (b) Queued Order Modification. Orders in the Pre-Market Session order queue prior to the Regular Market Session may be modified consistent with Rule 11.190(d). Any modification to an order so queued may result in the time of receipt being updated to the time of receipt of the last modification consistent with the application of a new timestamp, pursuant to LTSE Rule 11.220(a)(2).
- (c) Queued Order Opening Process. At the commencement of the Regular Hours Trading, orders for Non-LTSE-Primary-Listed Securities in the Pre-Market Session order queue are processed as incoming orders, consistent with LTSE Rules 11.190 and 11.230 in their relative time priority, pursuant to LTSE Rule 11.220(a)(2).
- (d) All messages in Non-LTSE-Primary-Listed Securities relevant to the Order Book received after the commencement of the Regular Market Session will be processed after the completion of the Regular Market Session Opening Process.
- (e) If a security is subject to a halt, suspension, or pause in trading during the Pre-Market Session, the Exchange will not accept orders for that security for the Regular Market

Session Opening Process or otherwise. If the halt, suspension, or pause remains in effect at the time of the Regular Market Session Opening Process, the Opening Process will not occur at the normally scheduled time. Once the security resumes trading, the Exchange will conduct the Regular Market Session Opening Process for any orders in the Pre-Market Session order queue, then accept and execute orders as usual in accordance with prevailing market session rules.]

**Rule 11.240. Trade [Execution,] Reporting[, and Dissemination of Quotations]**

(a)-(b) No change.

[(c) 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.

(1) Dissemination of Quotation Information. The aggregate of the best-ranked order(s), pursuant to LTSE Rule 11.220, to buy, and the best-ranked order(s) to sell in the Order Book, shall be collected and made available to quotation vendors for dissemination pursuant to the requirements of Rule 602 of Regulation NMS. The Exchange will maintain connectivity and access, pursuant to the Consolidated Tape Association (“CTA”) Plan and Unlisted Trading Privileges (“UTP”) Plan (collectively, “the SIPs”) for dissemination of quotation information.]

(c)[(d)] No change.

\* \* \* \* \*

**Rule 11.271 Reserved. [Trading Halts**

(a) The Exchange does not accept any orders in a security subject to a trading halt at the time of a trading halt. Any order submitted during a halt will be rejected by the System, except as set forth in LTSE Rule 11.350(e).

(b) Any orders resting on the Order Book at the time of a trading halt will not be canceled by the System, except as set forth in LTSE Rule 11.350(e). All orders resting on the Order Book in a security subject to a trading halt at the time of a trading halt will be unavailable

for trading during the trading halt, but will be available for cancellation by the submitting User.

- (c) During a trading halt, all quotes disseminated by the Exchange for such security will be set to zero.]

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**Rule 11.281. [Limit Up-Limit Down Mechanism] Limit Up-Limit Down Plan and Trading Halts on the Exchange**

[(a) Limit Up-Limit Down Mechanism.

(1) Definitions.

- (A) The term “Plan” or “Limit Up-Limit Down Plan” means the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act, as amended from time to time.
- (B) All capitalized terms not otherwise defined in this paragraph (a) shall have the meanings set forth in the Plan or LTSE Rules, as applicable

(2) Exchange Participation in the Plan. The Exchange is a participant in, and subject to the applicable requirements of, the Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

(3) Member Compliance. Members shall comply with the applicable provisions of the Plan.

(4) Exchange Compliance with the Plan. The System shall not rank, display or execute buy (sell) interest above (below) the Upper (Lower) Price Bands, unless such interest is specifically exempted under the Plan.

(5) Re-pricing and Cancellation of Interest. The System shall re-price and/or cancel buy (sell) interest that is priced or could be executed above (below) the Upper (Lower) Price Band. When re-pricing resting orders because such orders are above (below) the Upper (Lower) Price Band, the Exchange will provide new timestamps to such orders

- (A) Market Orders and IOC Orders. The System will only execute market orders or IOC orders at or within the Price Bands. If a market order or IOC

order cannot be fully executed at or within the Price Bands, the System shall cancel any unexecuted portion of the order without posting such order to the Exchange's Order Book.

- (B) Limit-priced Interest. Incoming limit-priced interest to buy (sell) that is priced above (below) the Upper (Lower) Price Band shall be re-priced to the Upper (Lower) Price Band. The System shall re-price resting limit-priced interest to buy (sell) to the Upper (Lower) Price Band if Price Bands move such that the price of resting limit-priced interest to buy (sell) would be above (below) the Upper (Lower) Price Band. If the Price Bands move again and the original limit price of re-priced interest is at or within the Price Band, the System shall re-price such limit interest to the most aggressive permissible price up to the order's limit price. All other limit interest re-priced pursuant to this paragraph (a) will remain at its new price unless the Price Bands move such that the price of resting limit-priced interest to buy (sell) would again be above (below) the Upper (Lower) Price Band.
  - (C) Reserved.
  - (D) Reserved.
  - (E) Sell Short Orders. During a Short Sale Price Test, as defined in LTSE Rule 11.290(b), Short Sale Orders priced below the Lower Price Band shall be re-priced to the higher of the Lower Price Band or the Permitted Display Price.
  - (F) Auction Orders. Auction Eligible Orders on the Auction Book are not price slid or canceled due to LULD price bands.
- (6) Reserved.
  - (7) Trading Pause during a Straddle State. The Exchange may declare a Trading Pause for a NMS Stock listed on the Exchange when (i) the National Best Bid (Offer) is below (above) the Lower (Upper) Price Band and the NMS Stock is not in a Limit State; and (ii) trading in that NMS Stock deviates from normal trading characteristics.
  - (8) Re-opening of Trading following a Trading Pause. At the end of the Trading Pause, the Exchange shall re-open trading in LTSE-Primary-Listed Securities

pursuant to the procedures set forth in LTSE Rule 11.350(f). Trading in Non-LTSE-Primary-Listed Securities shall re-open upon receipt of the Price Bands from the single plan processor responsible for consolidation of information for the security.]

(a) Definitions

(1) The term “UTP Exchange Traded Product” is defined in LTSE Rule 14.350(b).

(A) The term “Trust Shares” 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 Trust Shares; (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 Trust Shares, less certain expenses and other charges as set forth in the Trust prospectus.

(B) The term “Index Fund Shares” means a security (a) that is issued by an open-end management investment company based on a portfolio of stocks that seeks to provide investment results that correspond generally to the price and yield performance of specified foreign or domestic stock index; (b) that is issued by such an open-end management investment company in a specified aggregate minimum number in return for a deposit of specified numbers of shares of stock and/or a cash amount with a value equal to the next determined net asset value; and (c) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such open-end investment company which will pay to the redeeming holder the stock and/or cash with a value equal to the next determined net asset value.

(C) The term “Managed Fund Shares” means a security that (a) represents an interest in a registered investment company (“Investment Company”) organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment



Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined net asset value.

(D) The term "Trust Issued Receipts" means a security (a) that is issued by a trust ("Trust") which holds specified securities deposited with the Trust; (b) that, when aggregated in some specified minimum number, may be surrendered to the Trust by the beneficial owner to receive the securities; and (c) that pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

- (2) "Extraordinary Market Activity" means a disruption or malfunction of any electronic quotation, communication, reporting, or execution system operated by, or linked to, the Processor or a Trading Center or a member of such Trading Center that has a severe and continuing negative impact on quoting, order, or trading activity or on the availability of market information necessary to maintain a fair and orderly market. For purposes of this definition, a severe and continuing negative impact on quoting, order, or trading activity includes (i) a series of quotes, orders, or transactions at prices substantially unrelated to the current market for the security or securities; (ii) duplicative or erroneous quoting, order, trade reporting, or other related message traffic between one or more Trading Centers or their members; or (iii) the unavailability of quoting, order, transaction information, or regulatory messages for a sustained period.
- (3) "Operating Committee" has the same meaning as in the Nasdaq UTP Plan.
- (4) "Operational Halt" has the same meaning as in the Nasdaq UTP Plan.
- (5) "Post-Market Session" is defined in LTSE Rule 1.160(ee).
- (6) "Pre-Market Session" is defined in LTSE Rule 1.160(dd).
- (7) "Primary Listing Market" has the same meaning as in the Nasdaq UTP Plan.

- (8) “Processor” or “SIP” have the same meaning as the term “Processor” in the Nasdaq UTP Plan or in the Consolidated Tape Association Plan, as is applicable.
- (9) “Regulatory Halt” has the same meaning as in the Nasdaq UTP Plan.
- (10) “Regular Trading Hours” has the same meaning as in the Nasdaq UTP Plan.
- (11) “SIP Halt” has the same meaning as in the Nasdaq UTP Plan.
- (12) “SIP Halt Resume Time” has the same meaning as in the Nasdaq UTP Plan.
- (13) “SIP Plan” means the national market system plan governing the SIP.

(b) Regulatory Halts

(1) Authority to Implement a Regulatory Halt

(A) The Exchange shall implement a Regulatory Halt in the following circumstances, as applicable:

(i) Implementing a Trading Pause Declared by a Primary Listing Market Pursuant to the Limit Up-Limit Down Mechanism.

(a) Definitions for purposes of the Limit Up-Limit Down Mechanism.

(1) “LULD Plan” means the National Market System Plan to Address Extraordinary Market Volatility.

(2) All capitalized terms not otherwise defined in this Rule shall have the meanings set forth in the LULD Plan or Exchange rules, as applicable.

(b) Exchange Participation in the LULD Plan. The Exchange is a Participant in, and subject to the applicable requirements of, the LULD Plan, which establishes procedures to address extraordinary volatility in NMS Stocks.

(c) Member Compliance. Members shall comply with the applicable provisions of the LULD Plan.

- (d) Exchange Compliance with the LULD Plan. The System shall not display or execute buy (sell) interest above (below) the Upper (Lower) Price Bands, unless such interest is specifically exempted under the LULD Plan.
- (e) Re-pricing and Cancellation of Interest. Depending on a User's instructions, the System shall re-price or cancel buy (sell) interest that is priced or could be executed above (below) the Upper (Lower) Price Band. When re-pricing resting orders because such orders are above (below) the Upper (Lower) Price Band, the Exchange will provide new timestamps to such orders. When re-priced to less-aggressive price levels such orders will have priority behind resting interest that was originally less aggressively priced but that was not re-priced, as such orders will retain their original timestamps.
- (1) Market Orders and Orders with TIF of IOC or FOK. The System will only execute Market Orders or orders with a TIF of IOC or FOK at or within the Price Bands. Market Orders will be handled in accordance with LTSE Rule 11.190.
- (2) Limit-priced Interest.
- (A) Displayed Limit-priced Interest. Displayed limit-priced interest will be canceled on entry or when resting if a User has entered instructions not to use the re-pricing process or a User has included a Reserve Quantity and such interest to buy (sell) is priced above (below) the Upper (Lower) Price Band. If re-pricing is permitted based on a User's instructions, displayable incoming limit-priced interest to buy (sell) that is priced above (below) the Upper (Lower) Price Band shall be re-priced to the Upper (Lower) Price

Band. The System shall re-price resting, displayed limit-priced interest to buy (sell) to the Upper (Lower) Price Band if Price Bands move such that the price of resting, displayed limit-priced interest to buy (sell) would be above (below) the Upper (Lower) Price Band. If the Price Bands move again and the original limit price of displayed and re-priced interest is at or within the Price Bands and a User has opted into the Exchange's multiple price sliding process, as described in LTSE Rule 11.180(j), the System shall reprice such displayed limit interest to the most aggressive permissible price up to the order's limit price. All other displayed limit interest repriced pursuant to this paragraph (e) will remain at its new price unless the Price Bands move such that the price of resting limit-priced interest to buy (sell) would again be above (below) the Upper (Lower) Price Band.

- (B) Non-displayed Limit-priced Interest. Incoming limit-priced interest that is non-displayable will be canceled by the System if such interest to buy (sell) is priced above (below) the Upper (Lower) Price Band. Resting, non-displayed limit priced interest will be canceled if such interest to buy (sell) is priced above (below) the Upper (Lower) Price Band (i.e., aggressively priced through the applicable Price band) or if such interest is priced below (above) the

Lower (Upper) Price Band (i.e., non-aggressively priced outside of the applicable Price Band).

- (3) Pegged Interest. Pegged Orders to buy (sell) shall peg to the specified pegging price or the Upper (Lower) Price Band, whichever is lower (higher).
  - (4) Reserved.
  - (5) Sell Short Orders. During a short sale price test restriction pursuant to Rule 201 of Regulation SHO, orders with a Short Sale instruction priced below the Lower Price Band shall be repriced to the higher of the Lower Price Band or the Permitted Price, as defined in LTSE Rule 11.280(i).
  - (6) Auction Orders. Auction Eligible Orders on the Auction Book are not price slid or canceled due to LULD price bands.
- 
- (ii) The Exchange shall implement a trading halt due to extraordinary market volatility/Market-Wide Circuit Breakers, as set forth in LTSE Rule 11.280.
  - (iii) The Exchange shall implement a trading halt when the Primary Listing Market declares a SIP Halt or a trading halt based on Extraordinary Market Activity, as defined in the Nasdaq UTP Plan.
  - (iv) The Exchange will halt trading for any security traded on the Exchange when the Primary Listing Market declares a Regulatory Halt for any such security. The following shall apply when implementing Regulatory Halts initiated by the Primary Listing Market:
    - (a) Start Time. The start time of a Regulatory Halt is when the Primary Listing Market declares the halt, regardless of

whether an issue with communications impacts the dissemination of the notice.

(2) Resumption of Trading After a Regulatory Halt

(A) Resumption of Trading After a Regulatory Halt Other Than a SIP Halt

(i) The Exchange may resume trading after the Exchange receives notification from the Primary Listing Market that the Regulatory Halt has been terminated.

(B) Resumption of Trading After a SIP Halt

(i) For securities subject to a SIP Halt initiated by another exchange that is the Primary Listing Market, during Regular Trading Hours, the Exchange may resume trading after trading has resumed on the Primary Listing Market or notice has been received from the Primary Listing Market that trading may resume. During Regular Trading Hours, if the Primary Listing Market does not open a security within the amount of time specified by the rules of the Primary Listing Market after the SIP Halt Resume Time, the Exchange may resume trading in that security. Outside Regular Trading Hours, the Exchange may resume trading immediately after the SIP Halt Resume Time.

(3) On the occurrence of any Regulatory Halt pursuant to this Rule all outstanding orders in the System will be canceled. While a security is subject to a Regulatory Halt the Exchange will not accept orders. At the end of the Regulatory Halt the Exchange shall re-open the security and again begin accepting orders.

(c) UTP Exchange Traded Products

(1) The Exchange may halt trading in UTP Exchange Traded Products on the Exchange:

(A) Pre-Market Session. If a UTP Exchange Traded Product begins trading on the Exchange in the Pre-Market 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 Exchange Traded Product, by a major market data

vendor, the Exchange may continue to trade the UTP Exchange Traded Product for the remainder of the Pre-Market Session.

(B) Regular Trading Hours. During the Regular Trading Hours, if a temporary interruption occurs in the calculation or wide dissemination of the applicable IIV or value of the underlying index by a major market data vendor and the Primary Listing Market halts trading in the UTP Exchange Traded Product, the Exchange, upon notification by the Primary Listing Market of such halt due to such temporary interruption, also shall immediately halt trading in the UTP Exchange Traded Product on the Exchange.

(C) Post-Market Session and Next Business Day's Pre-Market Session.

(i) If the IIV or the value of the underlying index continues not to be calculated or widely available after the close of the Regular Trading Hours, the Exchange may trade the UTP Exchange Traded Product in the Post-Market Session only if the Primary Listing Market traded such securities until the close of its regular trading session without a halt.

(ii) 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-Market Session on the next business day, the Exchange shall not commence trading of the UTP Exchange Traded Product in the Pre-Market 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 Exchange Traded Product only if calculation and wide dissemination of the IIV or the value of the underlying index resumes or trading in the UTP Exchange Traded Product resumes in the Primary Listing Market.

(d) Operational Halts

(1) Authority to Initiate an Operational Halt. The Exchange may declare an Operational Halt for any security trading on the Exchange:

(A) if it is experiencing Extraordinary Market Activity on the Exchange; or

(B) when otherwise necessary to maintain a fair and orderly market or in the public interest.

- (2) Initiating an Operational Halt. On the occurrence of any Operational Halt pursuant to this Rule all outstanding orders in the System will be canceled. The Exchange will notify the SIP if it has concerns about its ability to collect and transmit Quotation Information or Transaction Reports (as those terms are defined in the Nasdaq UTP Plan), or if it has declared an Operational Halt or suspension of trading in one or more Eligible Securities (as that term is defined in the Nasdaq UTP Plan), pursuant to the procedures adopted by the Operating Committee.
- (3) Resumption of Trading After an Operational Halt
- (A) When the Exchange determines that trading may resume on its market in a fair and orderly manner and in accordance with its Rules it shall resume trading following an Operational Halt.
- (B) During any Operational Halt, orders entered will not be accepted.
- (C) Communications. Trading in a halted security shall resume at the time specified by the Exchange in a notice. The Exchange will notify all other Plan participants and the SIP of such an Operational Halt as well as provide notice that an Operational Halt has been lifted using such protocols and other emergency procedures as may be mutually agreed to between the Operating Committee and the Exchange. If the SIP is unable to disseminate notice of an Operational Halt or the Exchange is not open for trading, the Exchange will take reasonable steps to provide notice of an Operational Halt, which shall include both the type and start time of the Operational Halt. Each Plan participant shall continuously monitor communication protocols established by the Operating Committee and the Processor during market hours to disseminate notice of an Operational Halt, and the failure of a participant to do so shall not prevent the Exchange from initiating an Operational Halt in accordance with the procedures specified herein.

### **Rule 11.282. Regulatory Trading Halts**

- (a) Authority to Initiate Trading Halts. In circumstances in which LTSE deems it necessary to protect investors and the public interest, LTSE, pursuant to the procedures set forth in paragraph (b).
- (1) May halt trading on LTSE of an LTSE-Primary-Listed Security to permit the dissemination of material news, provided, however, that in the Pre-Market



Session LTSE will halt trading for dissemination of news only at the request of an issuer or [pursuant to [(a)(2) below;] where a trading halt has been imposed by another national securities exchange to permit the dissemination of material news.

- (2) Reserved. [May halt trading on LTSE of a security listed on another national securities exchange during a trading halt imposed by such exchange to permit the dissemination of material news;]
- (3) May halt trading on LTSE[: (A) in a security listed on another national securities exchange when such exchange imposes a trading halt in that security because of an order imbalance or influx (“operational trading halt”); or (B)] in a security listed on LTSE, when the security is a derivative or component of a security listed on another national securities exchange and such exchange imposes an operational trading halt in that security. In the event that LTSE halts trading, LTSE members may commence quotations and trading otherwise than on LTSE at any time following initiation of operational trading halts, without regard to whether LTSE has terminated the trading halt on LTSE.
- (4)-(5) No change.
- (6) Reserved. [May halt trading in a security listed on LTSE when
  - (A) extraordinary market activity in the security is occurring, such as the execution of a series of transactions for a significant dollar value at prices substantially unrelated to the current market for the security, as measured by the national best bid and offer, and
  - (B) LTSE determines that such extraordinary market activity is likely to have a material effect on the market for the security; and
    - (i) LTSE believes that such extraordinary market activity is caused by the misuse or malfunction of an electronic quotation, communication, reporting, or execution system operated by, or linked to, LTSE; or
    - (ii) After consultation with another national securities exchange trading the security on an unlisted trading privileges basis, LTSE believes that such extraordinary market activity is caused by the misuse or malfunction of an electronic quotation, communication,

reporting, or execution system operated by, or linked to, such other national securities exchange; or

- (iii) After consultation with FINRA regarding a FINRA facility trading the security, LTSE believes that such extraordinary market activity is caused by the misuse or malfunction of such FINRA facility or an electronic quotation, communication, reporting, or execution systems linked to such FINRA facility.]

(7)-(11) No change.

(b) Procedure for Initiating and Terminating a Trading Halt.

(1)-(5) No change.

- (6) Reserved. [In the case of a trading halt under LTSE Rule 11.282(a)(6) based on the misuse or malfunction of an electronic order entry, communication, reporting, or execution system that is not operated by LTSE, LTSE will promptly contact the operator of the system in question (as well as any national securities exchange or FINRA facility to which such system is linked) to ascertain information that will assist LTSE in determining whether a misuse or malfunction has occurred, what effect the misuse or malfunction is having on trading in a security, and what steps are being taken to address the misuse or malfunction. If the operator of the system is unavailable when contacted by LTSE, LTSE will continue efforts to contact the operator of the system to ascertain information that will assist LTSE in determining whether the trading halt should be terminated.

- (A) A trading halt initiated under LTSE Rule 11.282(a)(6) shall be terminated as soon as LTSE determines either that the system misuse or malfunction that caused the extraordinary market activity will no longer have a material effect on the market for the security or that system misuse or malfunction is not the cause of the extraordinary market activity.]

- (7) A trading halt or pause initiated under LTSE Rule [11.281(a)(2) or (7)] 11.281(b)(1)(A)(i)(b) during a Straddle State, as provided in Section VII(A)(2) of the LULD Plan, or LTSE Rule 11.282(a)(1), (4), or (5) shall be terminated when LTSE releases the security for trading at the conclusion of the Halt or Volatility Auction pursuant to LTSE Rule 11.350(e) or (f), as applicable.

(8)-(10) No change.

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**Rule Series 11.300. System Guidelines****Rule 11.310. Locking or Crossing Quotations in NMS Stocks**

- (a) No change.
- (b) Prohibition. Except for quotations that fall within the provisions of paragraph [(c)] d of this LTSE Rule 11.310, 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 during Regular Trading Hours.
- (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 withdraw the manual quotation.
- (d) Exceptions.
- (1) The L[l]ocking Q[q]uotation or C[c]rossing Q[q]uotation was displayed at a time when the trading center displaying the L[l]ocked or C[c]rossed Q[q]uotation was experiencing a failure, material delay, or malfunction of its systems or equipment.
- (2) The L[l]ocking Q[q]uotation or C[c]rossing Q[q]uotation was displayed at a time when a protected bid was higher than a protected offer in the NMS stock.
- (3) The Locking Quotation or Crossing Quotation was an automated quotation, and the User displaying such automated quotation simultaneously routed an ISO to execute against the full displayed size of any Protected Quotation that is a Locking Quotation or Crossing Quotation.
- (4) The Locking Quotation 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 ISO to execute against the full displayed size of the locked or crossed manual quotation.

**Rule 11.320. Input of Accurate Information**

[(a)] Members of the Exchange shall input accurate information into the System, including, but not limited to, whether the Member acted in a Principal, Agent, or Riskless Principal capacity for each order entered. If such capacity is not inputted by the Member for each order it enters, the Member's order will be rejected back by the Exchange.

### **Rule 11.330. Data Products**

- (a) The Exchange offers the following data products[ free of charge, except as otherwise noted in the Exchange's fee schedule]:
- (1) [LTSE Web Platform. LTSE Web Platform is a data feed, available through the Exchange's public website, that offers aggregated top of book quotations for all orders resting on the Order Book, aggregated depth of book quotations for all orders resting on the Order Book at each price level, execution information (i.e., last sale information) for executions on the Exchange, and provides LTSE Auction Information for LTSE-Primary-Listed Securities.] LTSE MEMOIR Depth. LTSE MEMOIR (Member's Order Information Record) Depth is a data feed that contains all displayed orders for listed securities trading on the Exchange, order executions, order cancellations, order modifications, order identification numbers, and administrative messages.
  - (2) [Historical Data. Historical Data is a data product that offers historical top of book quotations, depth of book quotations and other information, and which is available on the Exchange's public website.] LTSE MEMOIR Top. LTSE MEMOIR Top is an uncompressed data feed that offers top of book quotations based on equity orders entered into the System.
  - (3) [DROP. DROP is an uncompressed data feed that offers information regarding the equities trading activity of a specific Member. DROP is only available to the Member to whom the specific data relates and those recipients expressly authorized by the Member.] LTSE MEMOIR Last Sale. LTSE MEMOIR Last Sale is an uncompressed data feed that offers only execution information based on equity orders entered into the System.
  - (4) LTSE MEMOIR Historical Data. LTSE MEMOIR Historical Data is a data product that offers historical equities data.

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### **Rule 11.380. Risk Management**

- [(a)] Risk Controls

- (1) Risk Controls may be optionally elected by a Member or the clearing firm of a Member
  - (2) Risk Controls can be configured to accumulate and specify a limit or limits on the Gross Notional Exposure, Net Notional Exposure, or both, as defined in subparagraphs (a)(2)(A) and (a)(2)(B), respectively (“Risk Controls Limit”). Risk Controls Limits can be configured for matched trades for a Member or clearing firm’s broker correspondent across MPIDs, by MPID, by FIX session, or in combination, per clearing firm relationship or Member, as applicable. If a Risk Controls Limit is exceeded, new orders will be automatically rejected and all open orders will be canceled. Any Risk Controls Limit may be increased or decreased on an intra-day basis by a Member or the clearing firm of a Member, as applicable.
    - (A) “Gross Notional Exposure” is calculated as the absolute sum of the notional value of all buy and sell trades: equal to the value of executed buys plus the absolute value of executed long sells plus the absolute value of executed short sells. There is no netting of buys and sales in the same symbol or across symbols. Gross Notional Exposure resets for each new trading day.
    - (B) “Net Notional Exposure” is calculated as the absolute net sum of the notional value of all buy and sell trades: equal to the value of executed buys minus the absolute value of executed long sells minus the absolute value of executed short sells. Netting is calculated across symbols. Net Notional Exposure resets for each new trading day.]
- (a) The Exchange offers certain risk settings applicable to a User’s activities on the Exchange. The risk settings currently offered by the Exchange include:
- (1) controls related to the size of an order (including restrictions on the maximum notional value per order and maximum shares per order);
  - (2) controls related to the price of an order (including percentage-based and dollar-based controls);
  - (3) controls related to the order types or modifiers that can be utilized (including premarket, post-market, short sales and ISOs);
  - (4) controls to restrict the types of securities transacted (including restricted securities and easy to borrow securities as well as restricting activity to test symbols only);

- (5) controls to prohibit duplicative orders;
  - (6) controls to restrict the overall rate of orders; and
  - (7) controls related to the size of an order as compared to the average daily volume of the security (including the ability to specify the minimum average daily volume of the securities for which such controls will be activated); and
  - (8) credit controls measuring both gross and net exposure that warn when approached and, when breached, prevent submission of either all new orders or Market Orders only.
- (b) (1) The Exchange also offers risk functionality that permits Users to block new orders submitted, to cancel all open orders, or to both block new orders and cancel all open orders. Furthermore, the Exchange offers risk functionality that automatically cancels a User's orders to the extent the User loses its connection to the Exchange.
- (2) The Exchange offers batch cancel functionality that permits a User to simultaneously cancel all or a subset of its orders in one or more symbols by requesting the Exchange to effect such cancellation. A User initiating such a request may also request that the Exchange block all or a subset of its new inbound orders in one or more symbols. The block will remain in effect until the User requests the Exchange remove the block.

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**Rule Series 11.400. Market Data Feeds****Rule 11.410. Use of Market Data Feeds [and Calculations of Necessary Price Reference Points.]**

- (a) [Market Data Sources.] The Exchange uses the following data feeds for the handling and execution of orders, as well as for surveillance necessary to monitor compliance with applicable securities laws and Exchange rules:

<b>Away Trading Center</b>	<b>Primary Source[ Quotes]</b>	<b><u>Secondary</u> Source [Trades &amp; Admin]</b>
Cboe BYX Exchange (BATY)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
Cboe BZX Exchange (BATS)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
Cboe EDGA Exchange (EDGA)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
Cboe EDGX Exchange (EDGX)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
Investors Exchange (IEX)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
MEMX LLC (MEMX)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
MIAX PEARL, LLC (MPRL)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NASDAQ BX (XBOS)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NASDAQ PSX (XPHL)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NASDAQ Stock Market (XNGS)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
New York Stock Exchange (XNYS)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NYSE American (XASE)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NYSE ARCA (ARCX)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NYSE Chicago (XCHI)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]
NYSE National (XCIS)	CQS/UQDF	<u>n/a</u> [CTS/UTDF]

(b) The Exchange may adjust its calculation of the NBBO based on information about certain orders received by the Exchange.

- [(1) Top of Book. LTSE determines the Top of Book quotation for each away trading center to be equal to the price and size of the most current displayed best priced bid and displayed best priced offer of an away trading center in an Regulation NMS Covered Security ("covered security") known to the System during system hours through the market data sources described in paragraph (3) below.
  - (2) Reserved.
  - (3) SIP Market Data Feeds. LTSE consumes SIP consolidated quotation and trade data feeds for each of the National Tape Plans for covered securities. The Exchange will maintain connectivity and access to the relevant SIP for the receipt of SIP feeds. SIP feeds are a primary source of administrative messages such as halts, unhalts, limit up-limit down reference prices, Regulation SHO short sale circuit breakers, and last sale information. SIP feeds are also the primary source of administrative messages for certain reporting, regulatory and compliance systems within LTSE.
  - (4) LTSE Best Priced Quotation. LTSE is aware of its own Top of Book, aggregated best priced, resting orders for which it is publishing a protected quotation, intrinsically within the LTSE System. The LTSE System is the primary source of the LTSE Top of Book for the purposes of calculating quote related reference prices for the trading system. SIP feeds and the LTSE proprietary market data feeds may be the, or one of the, primary sources of LTSE Top of Book information for certain reporting, regulatory, and compliance systems of the Exchange. The LTSE proprietary market data feeds will provide information about odd lot-sized orders, including when such orders are at prices better than the LTSE Top of Book.
- (b) Quote Related Reference Prices are derived from composite of Top of Book determined for each away trading center as per paragraph (a) above in the following manner:
- (1) Protected Quotations. Protected Bids and Offers are determined from all Top of Book information for away trading centers quotations meeting the requirements defined in rules of Regulation NMS. LTSE consumes the Protected Quotations from the away trading centers listed in this LTSE Rule.



- (2) National Best Bid and Offer. The NBBO is equal to the highest bid and lowest offer among all valid Top of Book for each protected quotation in each covered security, including ELSE's own quotation. Quotations of venues against which LTSE has declared self-help as described in LTSE Rule 11.230(d), are included in the determination of the NBBO.
  
- (3) Protected Best Bid and Offer. The Protected NBBO is equal to the highest bid and lowest offer among all valid Top of Book for each protected quotation in each covered security, including LTSE's own quotation. Quotations of venues against which LTSE has declared self-help as described in LTSE Rule 11.230(d), are excluded in the determination of the PBBO.
  
- (4) Reserved.
  
- (c) Matching Engine Market Data Usage. The LTSE Matching Engine uses the NBBO to determine price for the Regulation SHO Short Sale Price Test, and the Protected NBBO to determine the protected inside for the purpose of preventing locked and crossed markets, NMS price sliding, and trade through protection.
  
- (d) Reserved.]

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