

RULES OF MX2 LLC

(Updated as of September 30, 2026)

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CHAPTER 1. ADOPTION, INTERPRETATION AND APPLICATION OF RULES, AND DEFINITIONS

Rule 1.1. Adoption of Exchange Rules

The following Exchange Rules are adopted pursuant to Article XVII, Section 17.1 of the Exchange LLC Agreement.

Rule 1.2. Interpretations

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

Rule 1.3. Applicability

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

Rule 1.4. Effective Time

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

Rule 1.5. Definitions

Unless the context otherwise requires, for all purposes of these Exchange Rules, terms used in Exchange Rules shall have the meaning assigned in Exchange LLC Agreement or as set forth below:

Act

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

Adverse Action

The term "adverse action" shall mean any action taken by the Exchange which affects adversely the rights of any Member, applicant for membership, or any person associated with a Member (including the denial of membership and the barring of any person from becoming associated with a Member) and any prohibition or limitation by the Exchange imposed on any person with respect to access to services offered by the Exchange, or a Member thereof. This term does not include disciplinary actions for violations of any provision of the Act or the rules and regulations promulgated thereunder, or any provision of the Exchange LLC

Agreement or Exchange Rules or any interpretation thereof or resolution or order of the Board or appropriate Exchange committee which has been filed with the Commission pursuant to Section 19(b) of the Act and has become effective thereunder. Review of disciplinary actions is provided for in Chapter 8 of the Exchange Rules.

Authorized Trader

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

Board and Board of Directors

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

Broker

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

Commission

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

Dealer

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

Designated Self-Regulatory Organization

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

Exchange or MX2

The term "Exchange" or "MX2" shall mean MX2 LLC, a registered national securities exchange.

Exchange Hours and Exchange Operating Hours

The term "Exchange Operating Hours" or "Exchange Hours" shall mean the time between 7:00 a.m. and 8:00 p.m. Eastern Time.

Exchange LLC Agreement

The term "Exchange LLC Agreement" shall mean the Limited Liability Company Agreement of MX2 LLC, as amended from time to time.

Market Maker

The term "Market Maker" shall mean a Member that acts as a Market Maker pursuant to Chapter 11.

Market Maker Authorized Trader

The term "Market Maker Authorized Trader" or "MMAT" shall mean an authorized trader who performs market making activities pursuant to Chapter 11 on behalf of a Market Maker.

Market Session

The term "Market Session" shall mean the time between 9:30 a.m. and 4:00 p.m. Eastern Time.

Member

The term "Member" shall mean any registered broker or dealer that has been admitted to membership in the Exchange. A Member will have the status of a "member" of the Exchange as that term is defined in Section 3(a)(3) of the Act. Membership may be granted to a sole proprietor, partnership, corporation, limited liability company or other organization which is a registered broker or dealer pursuant to Section 15 of the Act, and which has been approved by the Exchange.

MEMX

The term "MEMX" shall mean MEMX LLC, a national securities exchange and affiliate of the Exchange.

MX2 Book

The term "MX2 Book" shall mean the System's electronic file of orders.

NBB, NBO and NBBO

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

Person

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

Person Associated with a Member

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

Post-Market Session

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

Pre-Market Session

The term "Pre-Market Session" shall mean the time between 7:00 a.m. and 9:30 a.m. Eastern Time.

Protected NBB, Protected NBO and Protected NBBO

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

Protected Bid, Protected Offer and Protected Quotation

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

Registered Broker or Dealer

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

Regular Trading Hours

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

Sponsored Participant

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

Sponsoring Member

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

Statutory Disqualification

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

System

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

The Plan

The term "the Plan" shall mean The National Market System Plan to Address Extraordinary Market Volatility. The terms Limit Price, Price Band, Upper Price Band and Lower Price Band, among others used in the Plan, shall have the definitions and meanings ascribed to them under the Plan.

Top of Book

The term "Top of Book" shall mean the best-ranked order to buy (or sell) in the MX2 Book as ranked pursuant to Rule 11.9. "MX2 Best Bid and Offer" or MBBO is synonymous with Top of Book as defined.

User

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

UTP Exchange Traded Products

The term "UTP Exchange Traded Products" refers to derivative securities products that are not listed on the Exchange but that trade on the Exchange pursuant to unlisted trading privileges, including the following: Equity Linked Notes, Investment Company Units, Index-Linked Exchangeable Notes, Equity Gold Shares, Equity Index-Linked Securities, Commodity-Linked Securities, Currency-Linked Securities, Fixed-Income Index-Linked Securities, Futures-Linked Securities, Multifactor-Index-Linked Securities, Trust Certificates, Currency and Index Warrants, Portfolio Depository Receipts, Trust Issued Receipts, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Paired Trust Shares, Trust Units, Managed Fund Shares, and Managed Trust Securities.

UTP security

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

Rule 1.6. Procedures for Exemptions

(a) Application

(1) Where to File. A Member seeking exemptive relief as specifically permitted under any Exchange Rule shall file a written application with the appropriate Exchange department or staff as specified by the Exchange.

(2) Content. An application filed pursuant to this Rule shall contain the Member's name and address, the name of a person associated with the Member who will serve as the primary contact for the application, the Rule from which the Member is seeking an exemption, and a detailed statement of the grounds for granting the exemption. If the Member does not want the application or the decision on the application to be publicly available in whole or in part, the Member also shall include in its application a detailed statement, including supporting facts, showing good cause for treating the application or decision as confidential in whole or in part.

(b) Decision

After considering an application, Exchange staff shall issue a written decision setting forth its findings and conclusions. The decision shall be served on the applicant either personally or by leaving the same at his place of business or by deposit in the United States post office, postage prepaid, by registered or certified mail addressed to the applicant at his last known place of business. After the decision is served on the applicant, the application and decision shall be

publicly available unless Exchange staff determines that the applicant has shown good cause for treating the application or decision as confidential in whole or in part.

(c) Appeal

Decisions made under this Rule may be appealed pursuant to Chapter 10 of the Exchange Rules governing adverse action.

CHAPTER 2. MEMBERS OF THE EXCHANGE

Rule 2.1. Rights, Privileges and Duties of Members

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

Rule 2.2. Obligations of Members and the Exchange

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

Rule 2.3. Member Eligibility

Except as hereinafter provided, any registered broker or dealer that is and remains a member of a national securities association registered under Section 15A(a) of the Act or a member of another national securities exchange registered under Section 6(a) of the Act (other than or in addition to the Exchange's affiliate, MEMX) or any person associated with such a registered broker or dealer shall be eligible to be, and to remain, a Member.

Rule 2.4. Mandatory Participation in Testing of Backup Systems

(a) Pursuant to Regulation SCI and with respect to the Exchange's business continuity and disaster recovery plans, including its backup systems, the Exchange is required to establish standards for the designation of Members that the Exchange reasonably determines are, taken as a whole, the minimum necessary for the maintenance of fair and orderly markets in the event of the activation of such plans. The Exchange has established standards and will designate Members according to those standards as set forth below. All Members are permitted to connect to the Exchange's backup systems and to participate in testing of such systems.

(b) Certain Members are required to connect to the Exchange's backup systems and participate in functional and performance testing as announced by the Exchange, which shall occur at least once every 12 months. Specifically, Members that have been determined by the Exchange to contribute a meaningful percentage of the Exchange's overall volume must participate in mandatory testing of the Exchange's backup systems. The percentage of volume that the Exchange considers to be meaningful will be determined by the Exchange and will be

published in a circular distributed to Members. The Exchange will provide at least six months prior notice to a Member that is designated for mandatory testing.

(c) For the first calendar year that the Exchange is operational, with respect to MX2 Options, notwithstanding paragraph (b), the Exchange will instead designate at least three Options Members who have a meaningful percentage of trading volumes in options on other options exchanges. The Exchange will designate firms that have already established connections to the Exchange's backup systems. The Exchange will notify Members designated under this paragraph (c) no later than September 10th of such year.

(Amended by SR-MX2-2026-02, eff. May 20, 2026)

Rule 2.5. Restrictions

(a) The Exchange may determine not to permit a person to become a Member or person associated with a Member or continue as a Member or person associated with a Member in any capacity on the Exchange where:

(1) such person is other than a natural person and is not a registered broker or dealer;

(2) such person is a natural person who is not either a registered broker or dealer or associated with a registered broker or dealer;

(3) such person is subject to a statutory disqualification;

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

(5) such person fails to meet any of the qualification requirements for becoming a Member or associated with a Member after approval thereof;

(6) such person fails to meet any condition placed by the Exchange on such Member or association with a Member; or

(7) such person violates any agreement with the Exchange.

(b) If a Member or person associated with a Member that becomes subject to a statutory disqualification under the Exchange Act wants to continue as a Member of the Exchange or in association with a Member, the Member or associated person must, within thirty (30) days of becoming subject to a statutory disqualification, submit a request to the Exchange seeking to continue as a Member or in association with a Member notwithstanding the statutory disqualification. Failure to timely submit such a request is a factor that may be taken into consideration by the Exchange in making determinations pursuant to paragraph (a) of this Rule.

(c) Subject to Rule 7.6 (Summary Suspension of Exchange Services), any person whose request to become a Member is denied or conditioned, or any person whose association with a Member is denied or conditioned pursuant to paragraph (a) of this Rule, and any Member or person associated with a Member who is not permitted pursuant to paragraph (a) of this Rule to continue as a Member or to be associated with a Member or which continuance as a Member or association is conditioned, may seek review under the provisions of the Exchange Rules relating to adverse action.

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

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

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

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

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

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

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

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

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

(f) No person shall be admitted as a Member or as an associated person of a Member where it appears that such person has engaged, and there is a reasonable likelihood that such

person again may engage, in acts or practices inconsistent with just and equitable principles of trade.

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

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

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

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

Interpretations and Policies

.01 Proficiency Examinations:

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

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

(c) The Exchange requires the General Securities Representative Examination ("Series 7") in qualifying persons seeking registration as general securities representatives, including as Authorized Traders on behalf of Members. For those persons seeking limited registration as Securities Traders as described in paragraph (f) below, the Exchange requires the Securities Traders Qualification Examination ("Series 57"). The Exchange uses the Uniform Application for Securities Industry Registration or Transfer ("Form U4") as part of its procedure for registration and oversight of Member personnel.

(d) The Exchange requires each Member other than a sole proprietorship or a proprietary trading firm with 25 or fewer Authorized Traders ("Limited Size Proprietary Firm") to register at least two Principals with the Exchange. A Limited Size Proprietary Firm is

required to register at least one Principal with the Exchange. In addition, the Exchange may waive the two Principal requirement in situations that indicate conclusively that only one Principal associated with the Member should be required. For purposes of this paragraph (d), a "Principal" shall be any individual responsible for supervising the activities of a Member's Authorized Traders and each person designated as a Chief Compliance Officer on Schedule A of Form BD. This paragraph (d) shall not apply to a Member that solely conducts business on the Exchange as an Options Member, however, Options Members must comply with the registration requirements set forth in Rule 17.2(g). Each Principal is required to successfully complete the General Securities Principal Examination ("Series 24"). The Exchange uses Form U4 as part of its procedure for registration and oversight of Member personnel. The Exchange will accept the New York Stock Exchange Series 14 Compliance Official Examination in lieu of the Series 24 to satisfy the above requirement for any person designated as a Chief Compliance Officer. Individuals that supervise the activities of General Securities Representatives must successfully complete the Series 7 as a prerequisite to the Series 24 or Series 14 and shall be referred to as General Securities Principals. The Exchange will require the Series 57 as a prerequisite to the Series 24 or Series 14 for those Principals whose supervisory responsibilities are limited to overseeing the activities of Series 57 qualified Securities Traders. These limited representative Principals shall be referred to as Securities Trader Principals. Each Principal with responsibility over securities trading activities on the Exchange shall become qualified and registered as a Securities Trader Principal.

(e) Each Member subject to Exchange Act Rule 15c3-1 shall designate a Financial/Operations Principal. The duties of a Financial/Operations Principal shall include taking appropriate actions to assure that the Member complies with applicable financial and operational requirements under Exchange Rules and the Exchange Act, including but not limited to those requirements relating to the submission of financial reports and the maintenance of books and records. Each Financial/Operations Principal is required to successfully complete the Financial and Operations Principal Examination ("Series 27"). The Exchange uses Form U4 as part of its procedure for registration and oversight of Member personnel. A Financial/Operations Principal of a Member may be a full-time employee of the Member or may be a part-time employee or independent contractor of the Member. The Exchange may waive the requirements of this paragraph (e) if a Member has satisfied the financial and operational requirements of its designated examining authority applicable to registration.

(f) The Exchange recognizes the Series 57 qualification for Authorized Traders that engage solely in trading on the Exchange, on either an agency or principal basis.

(g) For purposes of paragraphs (d) above, a "proprietary trading firm" shall mean a Member that trades its own capital, that does not have customers, and that is not a member of the Financial Industry Regulatory Authority. In addition, to qualify for this definition, the funds used by a proprietary trading firm must be exclusively firm funds, all trading must be in the firm's accounts, and traders must be owners of, employees of, or contractors to the firm.

(h) Foreign Registrations. Any person who is in good standing as a representative with the Financial Conduct Authority in the United Kingdom or with a Canadian stock exchange

or securities regulator shall be exempt from the requirement to pass the Securities Industry Essentials Examination ("SIE").

(i) The following sets forth the qualification requirements for each of the registration categories described above:

CATEGORY OF REGISTRATION	QUALIFICATION EXAMINATION	ALTERNATIVE ACCEPTABLE QUALIFICATIONS
General Securities Representative	Series 7 and SIE	
Securities Trader	Series 57 and SIE	N/A
General Securities Principal	Series 24	Compliance Official Examination (Series 14)[1]
Securities Trader Principal	Series 24	Compliance Official Examination (Series 14)[1]
Financial Operations Principal	Series 27	Other examination acceptable to designated examining authority[2]
Options Principal[3]	Series 4	General Securities Principal Examination (Series 24)

[1] The Exchange will only permit the Series 14 for those designated as Chief Compliance Officers on Schedule A of Form BD.

[2] An examination acceptable to the Member's designated examining authority is only acceptable to the Exchange if the Exchange waives the requirements of paragraph (e).

[3] Please refer to Rule 17.2(g) for a more detailed description of the requirements for registration as an Options Principal.

(j) Lapse of Registration and Expiration of SIE.

Any person who was last registered in a representative registration category two or more years immediately preceding the date of receipt by FINRA of a new application for registration in that registration category shall be required to pass a representative qualification examination appropriate to that registration category as specified in this Interpretation and Policy .01, unless the person has maintained his or her qualification status for that registration category in accordance with Interpretation and Policy .02(f) to Rule 2.5 or as otherwise permitted by the Exchange. Any person who last passed the SIE or who was last registered as a representative, whichever occurred last, four or more years immediately preceding the date of a new application for registration as a representative shall be required to pass the SIE in addition to a representative qualification examination appropriate to his or her category of registration as specified in this Interpretation and Policy .01.

Any person who was last registered in a principal registration category two or more years immediately preceding the date of a new application for registration in that registration category shall be required to pass a principal qualification examination appropriate to that registration category as specified in this Interpretation and Policy .01, unless the person has maintained his or her qualification status for that registration category in accordance with Interpretation and Policy .02(f) to Rule 2.5 or as otherwise permitted by the Exchange.

Any person whose registration has been revoked pursuant to Rule 8.1 and any person who has a continuing education deficiency for a period of two years as provided under Interpretation and Policy .02 to Rule 2.5 shall be required to pass a representative or principal qualification examination appropriate to his or her category of registration as specified in this Interpretation and Policy .01, to be eligible for registration.

For purposes of this paragraph (j), an application shall not be considered as a new application for registration if that application does not result in a registration.

.02 Continuing Education Requirements:

(a) Regulatory Element

(1) Requirements

No Member shall permit any Authorized Trader, Principal, or Financial/Operations Principal (each a "Registered Representative") to continue to, and no Registered Representative shall continue to, perform duties as a Registered Representative on behalf of such Member, unless such person has complied with the continuing education requirements in this Rule. Each Registered Representative registered with the Exchange immediately preceding January 1, 2023 shall complete the Regulatory Element of the continuing education program for the registration category annually by December 31 of 2023 and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by the Exchange. Each Registered Representative registering with the Exchange in a representative or principal registration category for the first time on or after January 1, 2023 shall complete the Regulatory Element for the registration category annually by December 31 of the subsequent calendar year following the calendar year in which the person becomes registered and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by the Exchange. Nothing in this paragraph shall prohibit a Member from requiring its Registered Representatives to complete their Regulatory Element for their registration categories at any time during the calendar year. The content of the Regulatory Element shall be appropriate to each representative or principal registration category. A Registered Representative shall complete Regulatory Element content for each registration category that he or she holds.

(2) Failure to Complete

Unless otherwise determined by the Exchange, as provided in this paragraph, any Registered Representative who has not completed the Regulatory Element of the program within the prescribed calendar year in which the Regulatory Element is due will have his or her registration(s) deemed inactive until such time as he or she completes all required Regulatory Elements, including any Regulatory Element that becomes due while his or her registration(s) is deemed inactive. Any person whose registration(s) has been deemed inactive under this paragraph shall cease all activities as a Registered Representative and is prohibited from performing any duties and functioning in any capacity requiring registration. Further, such person may not accept or solicit business or receive any compensation for the purchase or sale of securities. However, such person may receive trail or residual commissions resulting from transactions completed before the inactive status, unless the Member with which such person is associated has a policy prohibiting such trail or residual commissions. A registration that remains inactive for a period of two consecutive years will be administratively terminated. A person whose registration(s) is so terminated or who otherwise fails to complete required Regulatory Element for two consecutive years may reactivate the registration only by reapplying for registration(s) and satisfying applicable registration and qualification requirements of the Exchange's Rules. The two-year period under this paragraph is calculated from the date a person's registration(s) is deemed inactive. The Exchange may, upon written application, with supporting documentation, and a showing of good cause, allow for additional time for a Registered Representative to satisfy the Regulatory Element requirements.

(3) Disciplinary Actions

A Registered Representative may be required to complete assigned continuing education as prescribed by the Exchange in the event such person:

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

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

(C) is ordered as a sanction in a disciplinary action to complete continuing education by any securities governmental agency or securities self-regulatory organization.

Such Registered Representative must complete any continuing education required under this paragraph within 120 days of the Registered Representative becoming subject to the statutory disqualification, in the case of (1) above, or the disciplinary action becoming final, in the case of (2) or (3) above.

(4) Reregistration

Any Registered Representative who reregisters in a representative or principal registration category shall complete the Regulatory Element content for the registration category annually by December 31 of the subsequent calendar year following the calendar year in which the person becomes reregistered and by December 31 of every year thereafter in which the person remains registered, or as otherwise prescribed by the Exchange, provided that he or she has already completed Regulatory Element content for that registration category for the calendar year in which he or she is reregistering, he or she is registering by having pass an examination for that registration category, or he or she is reregistering by having obtained an unconditional examination waiver for that registration category.

Any Registered Representative who is reregistering in a representative or principal registration category without having completed any Regulatory Element content for that registration category for the calendar year in which he or she is reregistering or without having passed an examination for that registration category or without having obtained an unconditional examination waiver for that registration category shall complete the Regulatory Element content for that registration category annually by December 31 of the calendar year in which he or she reregisters and by December 31 of every year thereafter in which he or she remains registered, or as otherwise prescribed by the Exchange.

If a Registered Representative has not completed any Regulatory Element content for a registration category in the calendar year(s) prior to reregistering, the Exchange would not approve a registration request for that category until he or she completes that Regulatory Element content or he or she passes an examination for that registration category or he or she obtains an unconditional examination waiver for that registration category, whichever is applicable.

Nothing in this paragraph shall prohibit a member from requiring Registered Representatives to complete their Regulatory Element for their registration categories at any time during the calendar year.

(b) Firm Element

(1) Persons Subject to the Firm Element

The requirements of paragraph (b) of this Rule shall apply to any Registered Representative.

(2) Standards for the Firm Element

(A) A Member must maintain a continuing and current education program for its Registered Representatives to enhance their securities knowledge, skill, and professionalism. At a minimum, each Member shall at least annually evaluate and prioritize its training needs and develop a written training plan. The plan must take into consideration the Member's size, organizational structure, and scope of business activities, as well as regulatory developments and the performance of Registered Representatives in the Regulatory Element. If a Member's analysis establishes the need for supervisory training for persons with supervisory responsibilities, such training must be included in that Member's training plan.

(B) Minimum Standards for Training Programs — Programs used to implement a Member's training plan must be appropriate for the business of the Member and, at a minimum must cover training topics related to the role, activities or responsibilities of the Registered Representatives and to professional responsibility.

(C) Administration of Continuing Education Program — a Member must administer its continuing education programs under this paragraph (b) in accordance with its annual evaluation and written plan and must maintain records documenting the content of the programs and completion of the programs by Registered Representatives.

(D) Participation in Other Required Training — a Member may consider a Registered Representative's participation in the Member's anti-money laundering compliance training under Rule 5.6(b)(5) toward satisfying the Registered Representative's continuing education requirement under this paragraph (b).

(3) Participation in the Firm Element

Registered Representatives of a Member must take all appropriate and reasonable steps to participate in continuing education programs under this paragraph (b) as required by the Member.

(4) Specific Training Requirements

The Exchange may require a member, individually or as part of a larger group, to provide specific training to its Registered Representatives in such areas as the Exchange deems appropriate. Such a requirement may stipulate the class of Registered Representatives for which it is applicable, the time period in which the requirement must be satisfied and, where appropriate, the actual training content.

(c) The following sets forth the Regulatory Elements appropriate for each registration category:

CATEGORY OF REGISTRATION	REGULATORY ELEMENT
General Securities Representative	S101 General Program
Securities Trader	S101 General Program
General Securities Principal	S201 Supervisor Program
Securities Trader Principal	S201 Supervisor Program
Financial/Operations Principal	S201 Supervisor Program

(d) Continuing Education Program for Persons Maintaining Their Qualification Following the Termination of a Registration Category.

A person who terminates any of his or her representative or principal registration categories may maintain his or her qualification for any of the terminated registration categories for a period of five years following the termination of the registration category, subject to the following conditions:

(1) The person was registered in the registration category for at least one year immediately preceding the termination of the registration category and the person was not subject to a statutory disqualification as defined in Section 3(a)(39) of the Exchange Act during the registration period;

(2) The person elects to participate in the continuing education program under this paragraph at the time of his or her Form U5 submission or at a later date within two years from the termination of his or her registration category, provided that if the person commences at the later date the person completes within two years from the termination of his or her registration category any continuing education that was due under the program between the time of his or her Form U5 submission and the later date he or she commences participating in the program;

(3) The person completes annually by December 31 of the calendar year in a manner specified by the Exchange all prescribed continuing education during his or her participation in the program under this paragraph, provided that the Exchange may, upon written application by the person, with supporting documentation, and a showing of good cause, allow for additional time for the person to complete the prescribed continuing education;

(4) The person does not have a continuing education deficiency with respect to his or her Regulatory Element for two consecutive years as provided in paragraph (b) of this Rule;

(5) The person does not become subject to a continuing education deficiency with respect to his or her Regulatory Element for two consecutive years as provided in paragraph (b) of this Rule while participating in the program under this paragraph; and

(6) The person does not become subject to a statutory disqualification as defined in Section 3(a)(39) of the Exchange Act following the termination of his or her registration category or while participating in the program under this paragraph.

(e) Eligibility of Other Persons to Participate in the Continuing Education Program Specified in Paragraph (f) of this Rule.

A person registered in a representative or principal registration category within two years immediately preceding March 15, 2022 shall be eligible to participate in the continuing education program under paragraph (d) of this Rule, provided that he or she satisfies the conditions set forth in paragraphs (d)(1) and (d)(3) through (d)(6) of this Rule. Persons eligible under this paragraph shall make their election to participate in the continuing education program under paragraph (d) of this Rule by March 15, 2022. If such persons elect to participate in the continuing education program, their participation period will be adjusted by deducting from that period the amount of time that has lapsed between the date that such persons terminated their registration categories and March 15, 2022.

(f) Re-Eligibility to Participate in the Continuing Education Program Specified in Paragraph (d) of this Rule.

A person who previously participated in the continuing education program under paragraph (d) of this Rule may become re-eligible to participate in the program if he or she reregisters with a member firm and subsequently satisfies the conditions set forth in paragraphs (d)(1) and (d)(4) of this Rule. In such an event, the person may elect to again participate in the program subject to satisfying the remaining conditions set forth in paragraph (d) of this Rule.

.03 Registration Procedures.

Persons associated with a Member registering with the Exchange shall electronically file a Form U4 with the Central Registration Depository ("CRD") System by appropriately checking the Exchange as a requested registration on the electronic Form U4 filing. Any person required to complete Form U4 shall promptly electronically file any required amendments to Form U4 with the CRD System.

.04 Termination of Employment.

(a) The discharge or termination of employment of any person registered with the Exchange, together with the reasons therefor, shall be electronically reported to the CRD System, by a Member immediately following the date of termination, but in no event later than thirty (30) days following termination on a Uniform Termination Notice for Securities Industry Registration ("Form U5"). A copy of said termination notice shall be provided concurrently to the person whose association has been terminated.

(b) The Member shall electronically report to the CRD System, by means of an amendment to the Form U5 filed pursuant to paragraph (a) above, in the event that the Member learns of facts or circumstances causing any information set forth in the notice to become

inaccurate or incomplete. Such amendment shall be provided concurrently to the person whose association has been terminated no later than thirty (30) days after the Member learns of the facts or circumstances giving rise to the amendment.

.05 Statutory Disqualification Proceedings Pending Before Another SRO

The Exchange may waive the provisions of this Rule when a proceeding is pending before another self-regulatory organization to determine whether to permit a Member or associated person of a Member to become or continue membership or association notwithstanding a statutory disqualification. In the event the Exchange determines to waive the provisions of this Rule with respect to a Member or associated person, the Exchange shall determine whether the Exchange will concur in any Exchange Act Rule 19h-1 filing made by another self-regulatory organization with respect to the Member or associated person.

(Amended by SR-MX2-2025-01, eff. September 30, 2025)

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

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

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

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

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

(4) An agreement that, in cases where the applicant fails to prevail in a lawsuit or administrative adjudicative proceeding instituted by the applicant against the Exchange or any of its officers, directors, committee members, employees or agents, to pay the Exchange or any of its officers, directors, committee members, employees or agents, all reasonable expenses, including attorneys' fees, incurred by the Exchange in the defense

of such proceeding, but only in the event that such expenses exceed Fifty Thousand Dollars ($50,000.00); provided, however, that such payment obligation shall not apply to internal disciplinary actions by the Exchange or administrative appeals.

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

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

(b) Applications for association with a Member shall be made on Form U4 and such other forms as the Exchange may prescribe, and shall be delivered to the Exchange in such manner as designated by the Exchange.

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

(d) If the Exchange is not satisfied that the applicant is qualified for membership pursuant to the provisions of this Chapter, the Exchange shall promptly notify the applicant of the grounds for denying the applicant. The Board on its own motion may reverse the determination that the applicant is not qualified for membership. If a majority of the Board specifically determines to reverse the determination to deny membership, the Board shall promptly notify Exchange staff, who shall promptly notify the applicant of the Board's decision and shall grant membership to the applicant. An applicant who has been denied membership may appeal such decision under Chapter 10 of the Exchange Rules governing adverse action.

(e) In considering applications for membership, the Exchange shall adhere to the following procedures: Where an application is granted, the Exchange shall promptly notify the applicant. The applicant shall be afforded an opportunity to be heard on the denial of membership pursuant to Chapter 10 of the Exchange Rules governing adverse action.

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

(g) Each applicant shall file with the Exchange a list and descriptive identification of those persons associated with the applicant who are its executive officers, directors, principal shareholders, and general partners. Such persons shall file with the Exchange a Uniform Application for Securities Industry Registration or Transfer ("Form U4"). Applicants approved as Members of the Exchange must keep such information current with the Exchange.

Rule 2.7. Revocation of Membership or Association with a Member

Members or associated persons of Members may effect approved securities transactions on the Exchange's trading facilities only so long as they possess all the qualifications set forth in the Exchange Rules. Except where, pursuant to Section 17(d) of the Act, the Exchange has been relieved of its responsibility to monitor the continued qualifications of a Member or an associated person of a Member, when the Exchange has reason to believe that a Member or associated person of a Member fails to meet such qualifications, the Exchange may act to revoke such person's membership or association. Such action shall be instituted under, and governed by, Chapters 7 and 8 of the Exchange Rules and may be appealed under Chapter 10 of the Exchange Rules governing adverse action. In connection with any revocation of rights as a Member or voluntary termination of rights as a Member pursuant to Rule 2.8, the Member's membership in the Exchange shall be cancelled.

Rule 2.8. Voluntary Termination of Rights as a Member

A Member may voluntarily terminate its rights as a Member by submitting a written resignation to the Exchange's Secretary or another officer designated by the Exchange. A termination will not be effective until the terminating Member has: (a) made any outstanding filings required under the Rules; and (b) paid any outstanding fees, assessments, charges, fines, or other amounts due to the Exchange, the Commission or the Securities Investor Protection Corporation.

(Amended by SR-MX2-2026-01, eff. April 29, 2026)

Rule 2.9. Dues, Assessments and Other Charges

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

Rule 2.10. No Affiliation between Exchange and any Member

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

Rule 2.11. MEMX Execution Services LLC as Outbound Router

(a) For so long as MEMX Execution Services LLC ("MEMX Execution Services") is affiliated with the Exchange and is providing outbound routing of orders from the Exchange to other securities exchanges, facilities of securities exchanges, automated trading systems, electronic communications networks or other brokers or dealers (collectively, "Trading Centers") (such function of MEMX Execution Services is referred to as the "Outbound Router"), each of the Exchange and MEMX Execution Services shall undertake as follows:

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

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

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

(4) MEMX Execution Services will not engage in any business other than (a) its Outbound Router function, (b) its Inbound Router function as described in Rule 2.12, (c) its usage of an error account in compliance with paragraph (a)(6) below, and (d) any other activities it may engage in as approved by the Commission.

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

(6) The Exchange or MEMX Execution Services may cancel orders as either deems to be necessary to maintain fair and orderly markets if a technical or systems issue occurs at the Exchange, MEMX Execution Services, or a routing destination. The Exchange or MEMX Execution Services shall provide notice of the cancellation to affected Members as soon as practicable. MEMX Execution Services shall maintain an error account for the purpose of addressing positions that are the result of an execution or

executions that are not clearly erroneous under Rule 11.15 or an obvious error under Rule 20.6 and result from a technical or systems issue at MEMX Execution Services, the Exchange, a routing destination, or a non-affiliate third-party routing broker that affects one or more orders ("Error Positions").

(A) For purposes of this Rule 2.11(a)(6), an Error Position shall not include any position that results from an order submitted by a Member to the Exchange that is executed on the Exchange and automatically processed for clearance and settlement on a locked-in basis.

(B) Except as provided in Rule 2.11(a)(6)(C), MEMX Execution Services shall not (i) accept any positions in its error account from an account of a Member; or (ii) permit any Member to transfer any positions from the Member's account to MEMX Execution Services' error account.

(C) If a technical or systems issue results in the Exchange not having valid clearing instructions for a Member to a trade, MEMX Execution Services may assume that Member's side of the trade so that the trade can be automatically processed for clearance and settlement on a locked-in basis.

(D) In connection with a particular technical or systems issue, MEMX Execution Services or the Exchange shall either (1) assign all resulting Error Positions to Members in accordance with paragraph (i) below, or (2) have all resulting Error Positions liquidated in accordance with subparagraph (ii) below. Any determination to assign or liquidate Error Positions, as well as any resulting assignments, shall be made in a nondiscriminatory fashion.

(i) MEMX Execution Services or the Exchange shall assign all Error Positions resulting from a particular technical or systems issue to the Members affected by that technical or systems issue if MEMX Execution Services or the Exchange:

1) Determines that it has accurate and sufficient information (including valid clearing information) to assign the positions to all of the Members affected by that technical or systems issue;

2) Determines that it has sufficient time pursuant to normal clearance and settlement deadlines to evaluate the information necessary to assign the positions to all of the Members affected by that technical or systems issue; and

3) Has not determined to cancel all orders affected by that technical or systems issue in accordance with subparagraph (a)(6) above.

(ii) If MEMX Execution Services or the Exchange is unable to assign all Error Positions resulting from a particular technical or systems issue to all of the affected Members in accordance with subparagraph (D) above, or if MEMX Execution Services or the Exchange determines to cancel all orders affected by the technical or systems issue in accordance with subparagraph (a)(6) above, then MEMX Execution Services shall liquidate any applicable Error Positions as soon as practicable. In liquidating such Error Positions, MEMX Execution Services shall:

1) Provide complete time and price discretion for the trading to liquidate the Error Positions to a third-party broker-dealer and shall not attempt to exercise any influence or control over the timing or methods of such trading; and

2) Establish and enforce policies and procedures that are reasonably designed to restrict the flow of confidential and proprietary information between the third-party broker-dealer and MEMX Execution Services/the Exchange associated with the liquidation of the Error Positions.

(E) MEMX Execution Services and the Exchange shall make and keep records to document all determinations to treat positions as Error Positions and all determinations for the assignment of Error Positions to Members or the liquidation of Error Positions, as well as records associated with the liquidation of Error Positions through the third-party broker-dealer.

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

(Amended by SR-MX2-2025-01, eff. September 30, 2025)

Rule 2.12. MEMX Execution Services LLC as Inbound Router

(a) For so long as the Exchange is affiliated with MEMX, and MEMX Execution Services in its capacity as a facility of the Exchange is utilized for the routing of orders from MEMX to the Exchange (such function of MEMX Execution Services is referred to as the "Inbound Router"), the Exchange undertakes as follows:

(1) The Exchange shall (A) enter into a plan pursuant to Rule 17d-2 under the Exchange Act with a non-affiliated self-regulatory organization ("SRO") to relieve the

Exchange of regulatory responsibilities for MEMX Execution Services with respect to rules that are common rules between the Exchange and the non-affiliated SRO, and (B) enter into a regulatory services contract with a non-affiliated SRO to perform regulatory responsibilities for MEMX Execution Services for unique Exchange rules.

(2) The regulatory services contract in paragraph 2.12(a)(1) shall require the Exchange to provide the non-affiliated SRO with information, in an easily accessible manner, regarding all exception reports, alerts, complaints, trading errors, cancellations, investigations, and enforcement matters (collectively "Exceptions") in which MEMX Execution Services is identified as a participant that has potentially violated Exchange or SEC Rules, and shall require that the non-affiliated SRO provide a report, at least quarterly, to the Exchange quantifying all Exceptions in which MEMX Execution Services is identified as a participant that has potentially violated Exchange or SEC Rules.

(3) The Exchange, on behalf of the holding company owning the Exchange and MEMX Execution Services, shall establish and maintain procedures and internal controls reasonably designed to ensure that MEMX Execution Services does not develop or implement changes to its system on the basis of non-public information regarding planned changes to Exchange systems, obtained as a result of its affiliation with the Exchange, until such information is available generally to similarly situated Users of the Exchange in connection with the provision of inbound order routing to the Exchange.

(4) The Exchange may furnish to MEMX Execution Services the same information on the same terms that the Exchange makes available in the normal course of business to any other User.

(b) Provided the above conditions are complied with, and provided further that MEMX Execution Services operates as an outbound router on behalf of MEMX on the same terms and conditions as it does for the Exchange, and in accordance with the Rules of MEMX, MEMX Execution Services may provide inbound routing services to the Exchange from MEMX.

Rule 2.13. Application Process and Waive-In

An applicant that is: (i) a current member of MEMX, and (ii) an active member of FINRA or a registered national securities exchange other than MEMX, may apply to become a Member by submitting a waive-in application form as prescribed by the Exchange, including an agreement or agreements conforming with Rule 2.6(a)(1) through (a)(6). The Exchange may request additional documentation in addition to the waive-in application form in order to determine that a waive-in applicant meets the qualification standards set forth in Rule 2.5.

(Amended by SR-MX2-2026-03, eff. July 30, 2026)

CHAPTER 3. RULES OF FAIR PRACTICE

The rules contained in MEMX Chapter 3, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 3 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 3 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 4. BOOKS AND RECORDS

The rules contained in MEMX Chapter 4, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 4 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 4 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

(*Adopted March 13, 2025; amended by SR-MEMX-2025-18, eff. June 17, 2025; amended by SR-MEMX-2025-20, eff. June 30, 2025; amended by SR-MEMX-2025-34, eff. December 11, 2025)*

CHAPTER 5. SUPERVISION

The rules contained in MEMX Chapter 5, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 5 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 5 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 6. EXTENSIONS OF CREDIT

The rules contained in MEMX Chapter 6, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 6 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 6 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 7. SUSPENSION BY CHIEF REGULATORY OFFICER

The rules contained in MEMX Chapter 7, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 7 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 7 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 8. DISCIPLINE

The rules contained in MEMX Chapter 8, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 8 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 8 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

Notwithstanding the above paragraph, with respect to MX2, the following replaces MEMX Rule 8.15 in its entirety:

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

(a) In lieu of commencing a disciplinary proceeding as described in Rules 8.1 through 8.13, the Exchange may, subject to the requirements set forth in this Rule, impose a fine on any Member, associated person of a Member, or registered or non-registered employee of a Member, for any violation of a Rule of the Exchange, which violation the Exchange shall have determined is minor in nature. The Exchange may aggregate similar violations generally if the conduct was unintentional, there was no injury to public investors, or the violations resulted from a single systemic problem or cause that has been corrected. Any fine imposed pursuant to this Rule that does not exceed $2,500 and is not contested shall not be publicly reported, except as may be required by Rule 19d-1 under the Act or as may be required by any other regulatory authority.

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

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

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

whether the rule violation(s) is minor in nature. The person charged and the Board of the Exchange may require a review by the Board of any determination by the Hearing Panel by proceeding in the manner described in Rule 8.10.

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

Interpretations and Policies

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

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

Occurrence*	Individual	Member firm
First time fined	$100	$500
Second time fined	$300	$1,000
Third time fined	$500	$2,500

*Within a "rolling" 12-month period.

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

(b) Rule 11.10(a)(5) requirement to identify short sale orders as such.

(c) Rule 11.10(f) requirement to comply with locked and crossed market rules.

(d) Rule 3.5 Advertising Practices.

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

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

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

(g) Rule 11.20(a)(1) requirement for Market Makers to maintain continuous two-sided quotations.

Recommended Fine Amount for 8.15.01(h); see paragraph (h) below.

(h) For failures to comply with the Consolidated Audit Trail Compliance Rule requirements of Rules 4.5 through 4.16, the Exchange may impose a minor rule violation fine of up to $2,500.

Recommended Fines for 8.15.01(i): see Rule 25.3

(i) Rules contained in the Rules applicable to MX2 Options, as set forth in Rule 25.3 (Penalty for Minor Rule Violations).

(Amended by SR-MX2-2025-01, eff. September 30, 2025)

CHAPTER 9. ARBITRATION

The rules contained in MEMX Chapter 9, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 9 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 9 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 10. ADVERSE ACTION

The rules contained in MEMX Chapter 10, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 10 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 10 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 11. TRADING RULES

Rule 11.1. Hours of Trading and Trading Days

(a) Orders may be entered, canceled, modified, executed on or routed away from the Exchange during the Pre-Market Session, the Market Session, and the Post-Market Session. All orders are eligible for execution during the Market Session. Orders may be entered into the System during Exchange Operating Hours (from 7:00 a.m. until 8:00 p.m. Eastern Time).

(b) The Exchange will be open for the transaction of business on business days. The Exchange will not be open for business on the following holidays: New Year's Day, Dr. Martin Luther King Jr. Day, Presidents Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day or Christmas. When any holiday observed by the Exchange falls on a Saturday, the Exchange will not be open for business on the preceding Friday. When any holiday observed by the Exchange falls on a Sunday, the Exchange will not be open for business on the following Monday, unless otherwise indicated by the Exchange.

(c) The Chief Executive Officer of the Exchange shall have the power to halt or suspend trading in any and all securities traded on the Exchange, to close some or all Exchange facilities, and to determine the duration of any such halt, suspension, or closing, when he deems such action necessary for the maintenance of fair and orderly markets, the protection of investors, or otherwise in the public interest including special circumstances such as (1) actual or threatened physical danger, severe climatic conditions, civil unrest, terrorism, acts of war, or loss or interruption of facilities utilized by the Exchange, (2) a request by a governmental agency or official, or (3) a period of mourning or recognition for a person or event. No such action shall continue longer than a period of two days, or as soon thereafter as a quorum of Directors can be assembled, unless the Board approves the continuation of such suspension.

Rule 11.2. Securities Eligible for Trading

(a) The Exchange shall designate securities for trading. Any class of securities listed or admitted to unlisted trading privileges on the Exchange pursuant to Chapter 14 of these Rules shall be eligible to become designated for trading on the Exchange. All securities designated for trading are eligible for odd-lot, round-lot and mixed-lot executions, unless otherwise indicated by the Exchange or limited pursuant to these Rules.

(b) Notwithstanding paragraph (a) above, the Exchange may determine not to designate for trading any security admitted to unlisted trading privileges on the Exchange pursuant to Chapter 14 of these Rules when that security's consolidated average daily trading volume is equal to or less than 2,500 shares during the preceding 90 calendar days.

(c) Any security not designated for trading by the Exchange pursuant to subparagraph (b) of this Rule may be designated for trading by the Exchange if its consolidated average daily trading volume exceeds 5,000 shares over any 90 calendar day period since the security was not designated for trading pursuant to subparagraph (b) of this Rule. Nothing in this paragraph (c)

shall limit the Exchange's ability to designate a security for trading pursuant to paragraph (a) of this Rule.

(d) The Exchange shall provide notice to Members at least one trading day in advance of any securities it is making unavailable for trading pursuant to subparagraph (b) of this Rule, and any securities it is making available for trading under subparagraph (c) of Rule 11.2.

Rule 11.3. Access

(a) General. The System shall be available for entry and execution of orders by Users with authorized access. Sponsored Access shall mean an arrangement whereby a Member permits its customer to enter orders into the System that bypass the Member's trading system and are routed directly to the Exchange, including routing through a service bureau or other third party technology provider. To obtain authorized access to the System, each User must enter into a User Agreement with the Exchange in such form as the Exchange may provide ("User Agreement").

(b) Sponsored Participants. A Sponsored Participant may obtain authorized access to the System only if such access is authorized in advance by one or more Sponsoring Members as set forth in paragraphs (1)-(3) below:

(1) Sponsored Participants must enter into and maintain customer agreements with one or more Sponsoring Members establishing proper relationship(s) and account(s) through which the Sponsored Participant may trade on the System. Such customer agreement(s) must incorporate the Sponsorship Provisions set forth in paragraph (2) below.

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

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

(B) Sponsoring Member acknowledges and agrees that:

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

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

(C) Sponsoring Member shall comply with the Exchange's Certificate of Incorporation, Exchange LLC Agreement, Rules and procedures, and

Sponsored Participant shall comply with the Exchange's Certificate of Incorporation, Exchange LLC Agreement, Rules and procedures, as if Sponsored Participant were a Member.

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

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

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

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

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

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

(J) The authorized access must comply with Rule 15c3-5 under the Act.

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

(*Amended by SR-MEMX-2025-23, eff. August 28, 2025*)

Rule 11.4. Authorized Traders

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

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

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

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

(e) To be eligible for registration as an AT of a Member a person must successfully complete the General Securities Representative Examination (Series 7), the Securities Traders Qualification Examination (Series 57) and any other training and/or certification programs as may be required by the Exchange. An individual required to register as either the General Securities Representative or a Securities Trader must also take and pass the Securities Industry Essentials Examination ("SIE").

Rule 11.5. Input of Accurate Information

Members of the Exchange shall input accurate information into the System, including, but not limited to, whether the Member is acting in a principal, agent, or riskless principal capacity for each order it enters. 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 11.6. Definitions

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 MX2 Book at the time of entry, or upon return to the System after being routed away, 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 MX2 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 MX2 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 MX2 Book.

(d) Locking Price. The price at which an order to buy (sell), that if displayed by the System on the MX2 Book, either upon entry into the System, or upon return to the System after being routed away, 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 MX2 Book. If, upon entry, there are no orders that satisfy the minimum quantity condition resting on the MX2 Book, the order will either be posted to the MX2 Book at its limit price or cancelled in accordance with the terms of the order. However, an order with a Minimum Execution Quantity will be cancelled where, if posted, it would cross the displayed price of an order on the MX2 Book. An order to buy (sell) with a Minimum Execution Quantity instruction that is ranked in the MX2 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 MX2 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 MX2 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. An order that includes a Minimum Execution Quantity instruction is not eligible to be routed to another Trading Center in accordance with Rule 11.11.

(g) Minimum Price Variation. 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 Rule 11.8(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 Rule 11.9, 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.

(j) 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 MX2 Book at the time of entry, will be ranked at the Locking Price in the MX2 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 cancelled 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 (x) 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 (y) 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 MX2 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 as set forth in Rule 11.6(l)(2) or cancelled. 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 MX2 Book, the order will be executed as set forth in Rule 11.6(l)(2) or cancelled.

(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 MX2 Book with a price equal to an opposite side order displayed by the Exchange, it will be subject to processing as set forth in Rule 11.10(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 cancelled.

(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 MX2 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.

(l) Routing/Posting Instructions

(1) Book Only. An order instruction stating that an order will be matched against an order on the MX2 Book or posted to the MX2 Book but will not route to an away Trading Center.

(2) Post Only. An instruction that may be attached to an order that is to be ranked and executed on the Exchange pursuant to Rule 11.9 and Rule 11.10(a)(4) or cancelled, as appropriate, without routing away to another trading center except that the order will not remove liquidity from the MX2 Book, except as described below. An order with a Post Only instruction will remove contra-side liquidity from the MX2 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 MX2 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 MX2 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 or another trading center is treated as cancelled and is not posted to the MX2 Book. An order with an IOC instruction that does not include a Book Only instruction and that cannot be executed in accordance with Rule 11.10(a)(4) on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 11.11.

(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 Rule 11.1, 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, cancelled. An order with a FOK instruction is not eligible for routing away pursuant to Rule 11.11.

(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 cancelled 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.

(Amended by SR-MX2-2025-04, eff. September 30, 2025)

Rule 11.7. (Reserved.)

Rule 11.8. Order Types and Modifiers

Users may enter into the System the types of orders listed in this Rule 11.8, subject to the limitations set forth in this Rule or elsewhere in these Rules. By default, orders are limited to a maximum of 1,000,000 shares or $30,000,000.00.

(a) Market Order. An order to buy or sell a stated amount of a security that is to be executed at the NBBO or better when the order reaches the Exchange.

(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 cancelled if not executed in full immediately after entry into the System.

(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.

(3) Display. A Market Order is not eligible to be displayed on the MX2 Book and will be cancelled if not executed by the System or routed to a Trading Center pursuant to paragraph (a)(5) below.

(4) Session. A Market Order is only eligible for execution by the System during the Market Session.

(5) Routing. A Market Order may include a Book Only instruction. Any Market Order that does not include a Book Only instruction, or a TIF instruction of FOK and cannot be executed in accordance with Rule 11.10(a)(4) on the System when reaching the Exchange will be eligible for routing to a Trading Center pursuant to Rule 11.11. If a Market Order is routed, any portion of the Market Order not executed upon return to the System after being routed to an away Trading Center will be cancelled.

(6) Execution. A Market Order shall not trade through a Protected Quotation. A Market Order with a Book Only instruction will be cancelled if, when reaching the Exchange, it cannot be executed on the System in accordance with Rule 11.10. 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 cancelled.

(7) No Available NBBO. A Market Order received by the System when the NBBO is not available will be rejected or cancelled back to the entering User.

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

(1) Time-in-Force. A Limit Order must have one of the following TIF instructions: IOC, FOK, Day, RHO or GTT. Limit Orders with a TIF instruction of IOC that do not include a Book Only instruction and that cannot be executed in accordance with Rule 11.10(a)(4) on the System when reaching the Exchange will be eligible for routing away pursuant to Rule 11.11. A Limit Order with a TIF instruction of FOK is not eligible for routing away pursuant to Rule 11.11.

(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.

(3) Display. A Limit Order may include a Displayed instruction or a Non-Displayed instruction.

(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. ISOs are not eligible for routing pursuant to Rule 11.11. 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 MX2 Book at the entered limit price. An incoming ISO with a Post Only and TIF instruction of GTT or Day will be cancelled without execution if, when entered, it is immediately marketable against an order with a Displayed instruction resting in the MX2 Book unless such order removes liquidity pursuant to Rule 11.6(l)(2). A User entering an incoming ISO with 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, Market Session and the Post-Market Session.

(7) Routing/Posting. A Limit Order may include a Post Only or Book Only instruction. Unless a Limit Order includes a Post Only or Book Only instruction, a marketable Limit Order will be eligible to be routed to a Trading Center pursuant to Rule 11.11.

(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 MX2 Book at prices up to and including the Locking Price and will then be cancelled 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 cancelled by the System unless such order is eligible for routing, in which case such order will be routed according to the User's instructions. 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 cancelled by the System unless: (A) such order contains a multiple price sliding instruction, in which case such order will be re-priced pursuant to Rule 11.6(j)(1)(A); or (B) such order is eligible for routing, in which case such order will be routed according to the User's instructions.

The following functionality described in paragraphs (10) – (11) below is available for Limit Orders that are posted to the MX2 Book.

(9) (Reserved.)

(10) 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 MX2 Book at the Locking Price at the time of the ISO's entry in the System unless such order removes liquidity pursuant to Rule 11.6(l)(2).

(11) 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 MX2 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.

(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 MX2 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 MX2 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 Market Session, and the Post-Market Session.

(5) Routing/Posting. A Pegged Order may include a Book Only or Post Only instruction. Pegged Orders are not eligible for routing pursuant to Rule 11.11.

(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 MX2 Book, such order will execute against interest in the MX2 Book at prices up to and including the Locking Price and will then be cancelled by the System. A Pegged Order resting on the MX2 Book is not eligible for execution when a Locking or Crossing Quotation exists. In such cases, a Pegged Order would rest on the MX2 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 cancelled back to the entering User. A Pegged Order resting on the MX2 Book will be cancelled back to the User when the NBB or NBO that the order is pegged to is no longer available.

Rule 11.9. Priority of Orders

(a) Ranking. Orders of Users shall be ranked and maintained in the MX2 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 Rule 11.10(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 Rule 11.6(j)(2), maintain the same priority as Limit Orders at that price.

(3) STP Modifiers. Pursuant to Rule 11.10(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 cancelled or replaced in accordance with Rule 11.10(e) 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 MX2 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 Rule 11.10 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 MX2 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.

Rule 11.10. Order Execution

(a) 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 Rule 11.10. For purposes of this Rule 11.10, any order falling within the parameters of this paragraph shall be referred to as "executable." An order will be cancelled back to the User, if based on market conditions, User instructions, applicable Exchange Rules and /or the Act and the rules and regulations thereunder, such order is not executable, cannot be routed to another Trading Center pursuant to Rule 11.11 or cannot be posted to the MX2 Book.

(1) Compliance with Regulation SHO. For any execution of an order that includes a Short Sale instruction to occur on the Exchange when a short sale price test restriction under Rule 201 of Regulation SHO is in effect for the covered security, the price must be above the current 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.

(2) Compliance with Regulation NMS. For any execution to occur during Regular Trading Hours, the price must be equal to or better than the Protected NBBO, unless the order is marked ISO or unless the execution falls within another exception set forth in Rule 611(b) of Regulation NMS. For any execution to occur during the Pre-Market Session or the Post-Market Session, the price must be equal to or better than the highest bid or lowest offer in the MX2 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 an 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.

(3) Compliance with the requirements of the Plan. Except as provided in Section VI of the 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 Plan are further described in Rule 11.22(b)(1)(A)(i).

(4) Execution against MX2 Book. An incoming order shall first attempt to be matched for execution against orders in the MX2 Book as described below, unless the User instructs the System to bypass the MX2 Book and route the order to an away Trading Center, in accordance with Exchange Rules.

(A) Buy Orders. An incoming order to buy will be automatically executed to the extent that it is priced at an amount that equals or exceeds any order to sell in the MX2 Book and is executable, as defined above. Such order to buy shall be executed at the price(s) of the lowest order(s) to sell having priority in the MX2 Book.

(B) Sell Orders. An incoming order to sell will be automatically executed to the extent that it is priced at an amount that equals or is less than any other order to buy in the MX2 Book and is executable, as defined above. Such order to sell shall be executed at the price(s) of the highest order(s) to buy having priority in the MX2 Book.

(C) Consistent with Rules 11.6 and 11.8, based on User instructions, certain orders are permitted to post and rest on the MX2 Book at prices that lock contra-side liquidity, provided, however, that the System will never display a locked market. Subject to sub-paragraph (D) below, if an incoming order, pursuant to paragraph (A) or (B) above, is on the same side of the market as an order displayed on the MX2 Book and upon entry would execute against contra-side interest at the same price as such displayed order, such incoming order will be cancelled or posted to the MX2 Book and ranked in accordance with Rule 11.9.

(D) For bids or offers equal to or greater than $1.00 per share, in the event that an incoming order described in sub-paragraphs (A) and (B) above is a Market Order or is a Limit Order priced more aggressively than an order displayed on the MX2 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) 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 MX2 Book Feed on an anonymous basis by the System.

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

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

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

(d) 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 cancelled back to the originating User(s). The resting order marked with an STP modifier will remain on the 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 cancelled back to the originating User(s). The incoming order marked with the CO modifier will remain on the 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 cancelled back to the originating User(s). If the orders are not equivalent in size, the smaller order will be cancelled 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 cancelled 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 cancelled back to the originating User(s). If the orders are not equivalent in size, the smaller of the two orders will be cancelled back to the originating User and the larger order will remain on the book.

(e) 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 cancelled 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) If an order has been routed to another Trading Center, the order will be placed in a "Pending" state until the order is returned from the destination(s) to which it was routed. Executions that are completed when the order is in the "Pending" state will be processed in accordance with Rule 11.10(a)(4).

(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.

(f) Locking Quotation or Crossing Quotations in NMS Stocks.

(1) Prohibition. Except for quotations that fall within the provisions of paragraph (f)(3) of this Rule, the System shall not make available for dissemination, and Users shall reasonably avoid displaying, and shall not engage in a pattern or practice of displaying, any quotations that lock or cross a Protected Quotation, and any manual quotations that lock or cross a quotation previously disseminated pursuant to an effective national market system plan during Regular Trading Hours.

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

(3) Exceptions

(1) The Locking Quotation or Crossing Quotation was displayed at a time when the trading center displaying the Locked or Crossed Quotation was experiencing a failure, material delay, or malfunction of its systems or equipment.

(2) The Locking Quotation or Crossing Quotation was displayed at a time when a protected bid was higher than a protected offer in the NMS stock.

(3) The Locking 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.

Interpretations and Policies:

.01 The Exchange offers certain risk settings applicable to a User's activities on the Exchange. The risk settings currently offered by the Exchange include:

(a) controls related to the size of an order (including restrictions on the maximum notional value per order and maximum shares per order);

(b) controls related to the price of an order (including percentage-based and dollar-based controls);

(c) controls related to the order types or modifiers that can be utilized (including premarket, post-market, short sales and ISOs);

(d) 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);

(e) controls to prohibit duplicative orders;

(f) controls to restrict the overall rate of orders; and

(g) 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

(h) 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.

.02 (a) 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.

(b) 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.

Rule 11.11. Routing Orders to Away Trading Centers

Unless the terms of the order direct the Exchange not to route such order away, if a Market Order or marketable Limit Order has not been executed in its entirety pursuant to 11.10(a)(4) above, the order shall be eligible for routing away from the Exchange.

(a) Regulation SHO. An order that includes a Short Sale instruction when a Short Sale Circuit Breaker pursuant to Rule 201 of Regulation SHO is in effect is not eligible for routing by the Exchange. If an order is ineligible for routing due to a Short Sale Circuit Breaker being in effect and such order is a Market Order or contains a Time-in-Force of IOC, then the order will be cancelled. For any other order ineligible for routing due to a Short Sale Circuit Breaker being in effect, the Exchange will post the unfilled balance of the order to the MX2 Book, treat the order as if it included a Book Only or Post Only instruction, and subject it to the Re-Pricing Instructions to Comply with Rule 201 of Regulation SHO, as described in Rule 11.6(j)(2), unless the User has elected the order Cancel Back as described in Rule 11.6(a).

(b) The Plan. The Exchange will handle routable orders in connection with the Plan as described in Rule 11.22(b)(1)(A)(i).

(c) Routing of Market Orders. With respect to an order that is eligible for routing, the System will designate Market Orders as IOC or ISO and will cause such orders to be routed for execution to one or more Trading Centers for potential execution, per the entering User's instructions, in compliance with Rule 611 under Regulation NMS, Regulation SHO, and the Plan. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will cancel any unexecuted portion back to the User.

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

unfilled balance of an order as an order with a Book Only instruction subject to a Re-Pricing Option described in Rule 11.6(j), or (ii) repeat the process described in Rule 11.10(a)(4) above and this paragraph (d) by executing against the MEMX Book and/or routing orders to other Trading Centers until the original, incoming order is executed in its entirety or its limit price is reached. If the order's limit price is reached, the order will be posted in the MEMX Book.

(e) Routing Table. The System will consider the quotations only of accessible Trading Centers when routing. The term "System routing table" refers to the proprietary process for determining the specific trading venues to which the System routes orders and the order in which it routes them. The Exchange reserves the right to route orders simultaneously or sequentially and to modify the System routing table at any time without notice.

(f) Priority of Routed Orders. Orders that have been routed by the System to other Trading Centers are not ranked and maintained in the MX2 Book pursuant to Rule 11.9(a), and therefore are not available to execute against incoming orders pursuant to Rule 11.10 above. Once routed by the System, an order becomes subject to the rules and procedures of the destination market including, but not limited to, short-sale regulation and order cancellation. Requests from Users to cancel their orders while the order is routed away to another trading center and remains outside the System shall be processed, subject to the applicable trading rules of the relevant trading center. If a routed order is subsequently returned, in whole or in part, that order, or its remainder, shall receive a new timestamp reflecting the time of its return to the System. Following the routing process described above, unless the terms of the order direct otherwise, any unfilled portion of the order originally entered into the System shall be ranked in the MX2 Book in accordance with the terms of such order under Rule 11.9 and such order shall be eligible for execution under Rule 11.10.

(g) Market Access. In addition to the Exchange Rules regarding routing to away trading centers, MEMX Execution Services, as defined in Rule 2.11, has, pursuant to Rule 15c3-5 under the Act, implemented certain tests designed to mitigate the financial and regulatory risks associated with providing the Exchange's Members with access to such away trading centers. Pursuant to the policies and procedures developed by MEMX Execution Services to comply with Rule 15c3-5, if an order or series of orders are deemed to be erroneous or duplicative, would cause the entering Member's credit exposure to exceed a preset credit threshold, or are non-compliant with applicable pre-trade regulatory requirements (as defined in Rule 15c3-5), MEMX Execution Services will reject such orders prior to routing and/or seek to cancel any orders that have been routed.

Rule 11.12. Trade Reporting

(a) Executions occurring as a result of orders matched against the MX2 Book shall be reported by the Exchange to an appropriate consolidated transaction reporting system to the extent required by the Act and the rules and regulations thereunder. Executions occurring as a result of orders routed away from the System shall be reported to an appropriate consolidated transaction reporting system by the relevant reporting trading center. The Exchange shall promptly notify Users of all executions of their orders as soon as such executions take place.

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

Rule 11.13. Clearance and Settlement; Anonymity

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

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

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

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

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

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

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

(f) The Exchange may share any of a User's risk settings specified in Interpretation and Policy .01 to Rule 11.10 with the clearing firm that clears transactions on behalf of the User.

Rule 11.14. LIMITATION OF LIABILITY

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

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

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

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

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

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

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

(2) AS TO THE AGGREGATE OF ALL CLAIMS MADE BY ALL MEMBERS UNDER THIS RULE ON A SINGLE TRADING DAY, THE EXCHANGE

SHALL NOT BE LIABLE IN EXCESS OF THE LARGER OF $250,000 OR THE AMOUNT OF ANY RECOVERY OBTAINED BY THE EXCHANGE UNDER ANY APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

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

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

(f) ALL CLAIMS FOR COMPENSATION PURSUANT TO THIS RULE SHALL BE IN WRITING AND MUST BE SUBMITTED NO LATER THAN 4:00 P.M. EASTERN TIME ON THE SECOND BUSINESS DAY FOLLOWING THE DAY ON WHICH THE USE OF THE EXCHANGE GAVE RISE TO SUCH CLAIMS, OR NO LATER THAN 1:00 P.M. EASTERN TIME IN THE EVENT OF AN EARLY MARKET CLOSE ON THE SECOND BUSINESS DAY FOLLOWING THE DAY ON WHICH THE USE OF THE EXCHANGE GAVE RISE TO SUCH CLAIMS. ONCE IN RECEIPT OF A CLAIM, THE EXCHANGE WILL VERIFY THAT: (i) A VALID ORDER WAS ACCEPTED INTO THE EXCHANGE'S SYSTEMS; AND (ii) AN EXCHANGE SYSTEM FAILURE OR A NEGLIGENT ACT OR OMISSION OF AN EXCHANGE EMPLOYEE OCCURRED DURING THE EXECUTION OR HANDLING OF THAT ORDER.

(g) NOTWITHSTANDING PARAGRAPH (a) ABOVE, AND SUBJECT TO THE EXPRESS LIMITATIONS SET FORTH BELOW, THE EXCHANGE MAY COMPENSATE MEMBERS FOR LOSSES RELATED TO ORDERS OF MEMBERS ROUTED BY THE EXCHANGE THROUGH MEMX EXECUTION SERVICES TO A TRADING CENTER AND RESULTING DIRECTLY FROM THE MALFUNCTION OF THE PHYSICAL EQUIPMENT, DEVICES AND/OR PROGRAMMING, OR THE NEGLIGENT ACTS OR OMISSIONS OF THE EMPLOYEES, OF SUCH TRADING CENTER.

(1) ALL CLAIMS FOR COMPENSATION PURSUANT TO THIS RULE SHALL BE IN WRITING. ONCE IN RECEIPT OF A CLAIM, THE EXCHANGE WILL VERIFY THAT: (i) A VALID ORDER FROM THE MEMBER WAS ACCEPTED AND ACKNOWLEDGED BY THE EXCHANGE; (ii) THE MEMBER'S ORDER, OR A PORTION THEREOF, WAS ROUTED BY THE EXCHANGE VIA MEMX EXECUTION SERVICES TO THE TRADING CENTER; AND (iii) THE MEMBER CLAIMS A LOSS AS A RESULT OF THE MALFUNCTION OF THE PHYSICAL EQUIPMENT, DEVICES AND/OR PROGRAMMING, OR THE

NEGLIGENT ACTS OR OMISSIONS OF THE EMPLOYEES, OF SUCH TRADING CENTER. UPON VERIFICATION OF THE FOREGOING, THE EXCHANGE SHALL FORWARD THE CLAIM VIA MEMX EXECUTION SERVICES TO SUCH TRADING CENTER AS SOON AS REASONABLY PRACTICABLE.

(2) IF AND TO THE EXTENT THAT THE EXCHANGE, VIA MEMX EXECUTION SERVICES, RECEIVES COMPENSATION, IN WHOLE OR IN PART, FROM A TRADING CENTER AS A RESULT OF A CLAIM SUBMITTED ON BEHALF OF A MEMBER, THE EXCHANGE SHALL PASS THE FULL AMOUNT OF SUCH COMPENSATION DIRECTLY TO THE MEMBER. ANY COMPENSATION TO MEMBERS FOR SUCH CLAIMS WILL BE PAID SOLELY FROM COMPENSATION, IF ANY, RECOVERED BY THE EXCHANGE VIA MEMX EXECUTION SERVICES FROM THE TRADING CENTER.

(3) IN THE EVENT THAT ALL OF THE CLAIMS MADE UNDER THIS SUBPARAGRAPH (g) AND DIRECTLY ATTRIBUTABLE TO THE SAME MALFUNCTION OR NEGLIGENT ACT OR OMISSION ARE NOT FULLY SATISFIED BY THE TRADING CENTER, THEN ANY AMOUNT OF COMPENSATION RECEIVED FROM THE TRADING CENTER WILL BE PROPORTIONALLY ALLOCATED AMONG ALL SUCH CLAIMS BASED ON THE PROPORTION THAT EACH SUCH CLAIM BEARS TO THE SUM OF ALL SUCH CLAIMS.

(4) THE PASS-THROUGH OF ANY COMPENSATION TO A MEMBER IN ACCORDANCE WITH THIS SUBPARAGRAPH (g) IS UNRELATED TO ANY OTHER CLAIMS FOR COMPENSATION THAT ARE MADE IN ACCORDANCE WITH, AND SUBJECT TO THE LIMITS OF, SUBPARAGRAPH (d) OF THIS RULE. ACCORDINGLY, ANY SUCH COMPENSATION MADE PURSUANT TO THIS PARAGRAPH (g) SHALL NOT REDUCE OR OTHERWISE AFFECT THE EXCHANGE'S LIABILITY LIMITS PURSUANT TO SUBPARAGRAPH (d)(1) - (3), OR ANY OTHER APPLICABLE INSURANCE MAINTAINED BY THE EXCHANGE.

(5) THE EXCHANGE SHALL NOT BE LIABLE IN THE EVENT THAT THE TRADING CENTER IDENTIFIED IN A CLAIM FOR COMPENSATION MADE PURSUANT TO THIS PARAGRAPH (g) WERE TO DENY SUCH CLAIM, IN WHOLE OR IN PART, FOR ANY REASON. UNDER NO CIRCUMSTANCES WILL THE EXCHANGES' INABILITY TO PROCURE COMPENSATION FROM A TRADING CENTER, IN WHOLE OR IN PART, AND FOR WHATEVER REASON, GIVE RISE TO A CLAIM FOR COMPENSATION FROM THE EXCHANGE PURSUANT TO PARAGRAPH (d) OF THIS RULE AS A NEGLIGENT ACT OR OMISSION OF AN EXCHANGE EMPLOYEE.

Rule 11.15. Clearly Erroneous Executions

(a) Definition.

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

(b) Request and Timing of Review.

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

(1) Requests for Review. Requests for review must be received by the Exchange within thirty (30) minutes of execution time and shall include information concerning the time of the transaction(s), security symbol(s), number of shares, price(s), side (bought or sold), and factual basis for believing that the trade is clearly erroneous. Upon receipt of a timely filed request that satisfies the guidelines set forth in this Rule, the counterparty to the trade shall be notified by the Exchange as soon as practicable, but generally within thirty (30) minutes. An Official may request additional supporting written information to aid in the resolution of the matter. If requested, each party to the transaction shall provide any supporting written information as may be reasonably requested by the Official to aid resolution of the matter within thirty (30) minutes of the Official's request. Either party to the disputed trade may request the supporting written information provided by the other party on the matter.

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

(c) Clearly Erroneous Review.

(1) *Review of transactions occurring during Regular Trading Hours*. If the execution time of the transaction(s) under review is during Regular Trading Hours, the transaction will not be reviewable as clearly erroneous unless the transaction:

(A) is in an NMS Stock that is not subject to the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan" or "LULD Plan"). In such case, the

Numerical Guidelines set forth in paragraph (c)(2) of this Rule will be applicable to such NMS Stock;

(B) was executed at a time when Price Bands under the LULD Plan were not available, or is the result of an Exchange technology or systems issue that results in the transaction occurring outside of the applicable LULD Price Bands pursuant to paragraph (g), or is executed after the primary listing market for the security declares a regulatory trading halt, suspension, or pause pursuant to paragraph (i). A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price, described in paragraph (d) below, by an amount that equals or exceeds the applicable Percentage Parameter defined in Appendix A to the LULD Plan ("Percentage Parameters"); or

(C) involved, in the case of (1) a corporate action or new issue or (2) a security that enters a Trading Pause pursuant to the LULD Plan and resumes trading without an auction, a Reference Price that is determined to be erroneous by an Officer of the Exchange because it clearly deviated from the theoretical value of the security. In such circumstances, the Exchange may use a different Reference Price pursuant to paragraph (d)(2) of this Rule. A transaction subject to review pursuant to this paragraph shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the new Reference Price, described in paragraph (d)(2) below, by an amount that equals or exceeds the Numerical Guidelines or Percentage Parameters, as applicable depending on whether the security is subject to the LULD Plan.

(2) *Review of transactions occurring during Pre-Market Session, Post-Market Session, or eligible for review pursuant to paragraph (c)(1)(A).*

(A) Subject to the additional factors described in paragraph (c)(2)(C) below, a transaction executed during the Pre-Market or Post-Market Session, or eligible for review pursuant to paragraph (c)(1)(A), shall be found to be clearly erroneous if the price of the transaction to buy (sell) that is the subject of the complaint is greater than (less than) the Reference Price by an amount that equals or exceeds the Numerical Guidelines set forth below.

Reference Price, Circumstance or Product	Regular Trading Hours Numerical Guidelines for transactions eligible for review pursuant to paragraph (c)(1)(A) (Subject transaction's %	Pre-Market and Post-Market Session Numerical Guidelines (Subject transaction's % difference from the Reference Price):

	difference from the Reference Price):	
Greater than $0.00 up to and including $25.00	10%	20%
Greater than $25.00 up to and including $50.00	5%	10%
Greater than $50.00	3%	6%
Multi-Stock Event – Filings involving five or more, but less than twenty, securities whose executions occurred within a period of five minutes or less	10%	10%
Multi-Stock Event – Filings involving twenty or more securities whose executions occurred within a period of five minutes or less	30%, subject to the terms of paragraph (c)(2)(B) below	30%, subject to the terms of paragraph (c)(2)(B) below
Leveraged ETF/ETN securities	N/A	Regular Trading Hours Numerical Guidelines multiplied by the leverage multiplier (i.e. 2x)

(B) Multi-Stock Events Involving Twenty or More Securities. Multi-Stock Events involving twenty or more securities may be reviewable as clearly erroneous if they occur during the Pre-Market Session or Post-Market Session or are eligible for review pursuant to paragraph (c)(1)(A). During Multi-Stock Events, the number of affected transactions may be such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. In such circumstances, the Exchange may use a Reference Price other than consolidated last sale. To ensure consistent application across market centers when this paragraph is invoked, the Exchange will promptly coordinate with the other market centers to determine the appropriate review period, which may be greater than the period of five minutes or less that triggered application of this paragraph, as well as select one or more specific points in time prior to the transactions in question and use transaction prices at or immediately prior to the one or more specific points in time selected as the Reference Price. The

Exchange will nullify as clearly erroneous all transactions that are at prices equal to or greater than 30% away from the Reference Price in each affected security during the review period selected by the Exchange and other markets consistent with this paragraph.

(C) Additional Factors. Except in the context of a Multi-Stock Event involving five or more securities, an Official may also consider additional factors to determine whether an execution is clearly erroneous, provided the execution occurred during the Pre-Market Session or Post-Market Session or is eligible for review pursuant to paragraph (c)(1)(A). Such additional factors include but are not limited to, system malfunctions or disruptions, volume and volatility for the security, derivative securities products that correspond to greater than 100% in the direction of a tracking index, news released for the security, whether trading in the security was recently halted/resumed, whether the security is an initial public offering, whether the security was subject to a stock split, reorganization, or other corporate action, overall market conditions, Pre-Market or Post-Market Session executions, validity of the consolidated tape trades and quotes, consideration of primary market indications, and executions inconsistent with the trading pattern in the stock. Each additional factor shall be considered with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(D) Outlier Transactions. In the case of an Outlier Transaction during the Pre-Market Session or Post-Market Session or that is eligible for review pursuant to paragraph (c)(1)(A), an Official may, in his or her sole discretion, and on a case-by-case basis, consider requests received pursuant to paragraph (b) of this Rule after thirty (30) minutes, but not longer than sixty (60) minutes after the transaction in question, depending on the facts and circumstances surrounding such request.

(i) An "Outlier Transaction" means a transaction where the execution price of the security is greater than three times the current Numerical Guidelines set forth in paragraph (c)(2) of this Rule.

(ii) If the execution price of the security in question is not within the Outlier Transaction parameters set forth in paragraph (c)(2)(D)(i) of this Rule but breaches the 52-week high or 52-week low, the Exchange may consider Additional Factors as outlined in paragraph (c)(2)(C), in determining if the transaction qualifies for further review or if the Exchange shall decline to act.

(d) Reference Price.

The Reference Price referred to in paragraphs (c)(1) and (c)(2) above will be equal to the consolidated last sale immediately prior to the execution(s) under review except for:

(1) in the case of Multi-Stock Events involving twenty or more securities, as described in paragraph (c)(2)(B) above;

(2) in the case of an erroneous Reference Price, as described in paragraph (c)(1)(C) above. In the case of (c)(1)(C)(1), the Exchange would consider a number of factors to determine a new Reference Price that is based on the theoretical value of the security, including but not limited to, the offering price of the new issue, the ratio of the stock split applied to the prior day's closing price, the theoretical price derived from the numerical terms of the corporate action transaction such as the exchange ratio and spin-off terms, and for an OTC up-listing, the price of the security as provided in the prior day's FINRA Trade Dissemination Service final closing report. In the case of (c)(1)(C)(2), the Reference Price will be the last effective Price Band that was in a limit state before the Trading Pause; or

(3) in other circumstances, such as, for example, relevant news impacting a security or securities, periods of extreme market volatility, sustained illiquidity, or widespread system issues, where use of a different Reference Price is necessary for the maintenance of a fair and orderly market and the protection of investors and the public interest, provided that such circumstances occurred during the Pre-Market Session or Post-Market Session or the execution(s) are eligible for review pursuant to paragraph (c)(1)(A).

(e) Review Procedures.

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

(2) Appeals. If a Member affected by a determination made under this Rule so requests within the time permitted below, the Clearly Erroneous Execution Panel ("CEE Panel") will review decisions made by the Official under this Rule, including whether a clearly erroneous execution occurred and whether the correct determination was made; provided however that the CEE Panel will not review decisions made by an Officer under paragraph (g) of this Rule regarding transactions that occurred outside of the applicable Price Bands disseminated pursuant to the LULD Plan, and further provided that with respect to rulings made by the Exchange in conjunction with one or more additional market centers, the number of affected transactions is similarly such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest and, hence, are also non-appealable.

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

(B) The Exchange shall designate at least ten (10) representatives of Members to be called upon to serve on the CEE Panel as needed. In no case shall a CEE Panel include a person affiliated with a party to the trade in question. To the extent reasonably possible, the Exchange shall call upon the designated representatives to participate on a CEE Panel on an equally frequent basis.

(C) A request for review on appeal must be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Members within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The CEE Panel shall review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received between 3:00 p.m. Eastern Time and the close of trading in the Post-Market Session, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

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

(E) If the CEE Panel votes to uphold the decision made pursuant to paragraph (e)(1) above, the Exchange will assess a $500.00 fee against the Member(s) who initiated the request for appeal. In addition, in instances where the Exchange, on behalf of a Member, requests a determination by another market center that a transaction is clearly erroneous, the Exchange will pass any resulting charges through to the relevant Member.

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

(f) Officer Acting on Own Motion.

An Officer of the Exchange or senior level employee designee, acting on his or her own motion, may review potentially erroneous transactions occurring during the Pre-Market Session or Post-Market Session or that are eligible for review pursuant to paragraph (c)(1), and declare trades null and void or shall decline to take any action in connection with the completed trade(s). In such events, the Officer of the Exchange or other senior level employee designee will rely on the provisions of paragraph (c)(1) and (c)(2) of this Rule. Absent extraordinary circumstances, any such action of the Officer of the Exchange or such other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the

erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Trading Hours on the trading day following the date of execution(s) under review. When such action is taken independently, each party involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(g) Transactions Occurring Outside of LULD Plan Price Bands.

If as a result of an Exchange technology or systems issue any transaction occurs outside of the applicable Price Bands disseminated pursuant to the LULD Plan, an Officer of the Exchange or senior level employee designee, acting on his or her own motion or at the request of a third party, shall review and declare any such trades null and void. Absent extraordinary circumstances, any such action of the Officer of the Exchange or other senior level employee designee shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction. When extraordinary circumstances exist, any such action of the Officer of the Exchange or other senior level employee designee must be taken by no later than the start of Regular Trading Hours on the trading day following the date on which the execution(s) under review occurred. Each Member involved in the transaction shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above. In the event that a single plan processor experiences a technology or systems issue that prevents the dissemination of Price Bands, the Exchange will make the determination of whether to nullify transactions based on paragraph (c)(1)(B) above.

(h) Multi-Day Event.

A series of transactions in a particular security on one or more trading days may be viewed as one event if all such transactions were effected based on the same fundamentally incorrect or grossly misinterpreted issuance information resulting in a severe valuation error for all such transactions (the "Event"). An Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall take action to declare all transactions that occurred during the Event null and void not later than the start of trading on the day following the last transaction in the Event. If trading in the security is halted before the valuation error is corrected, an Officer of the Exchange or senior level employee designee shall take action to declare all transactions that occurred during the Event null and void prior to the resumption of trading. Notwithstanding the foregoing, no action can be taken pursuant to this paragraph with respect to any transactions that have reached settlement date or that result from an initial public offering of a security. To the extent transactions related to an Event occur on one or more other market centers, the Exchange will promptly coordinate with such other market center(s) to ensure consistent treatment of the transactions related to the Event, if practicable. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this Rule. Each Member involved in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

(i) Trading Halts.

In the event of any disruption or malfunction in the operation of the electronic communications and trading facilities of the Exchange, another market center or responsible single plan processor in connection with the transmittal or receipt of a regulatory trading halt, suspension or pause, an Officer of the Exchange or senior level employee designee, acting on his or her own motion, shall nullify any transaction in a security that occurs after the primary listing market for such security declares a regulatory trading halt, suspension or pause with respect to such security and before such regulatory trading halt, suspension or pause with respect to such security has officially ended according to the primary listing market. In addition, in the event a regulatory trading halt, suspension or pause is declared, then prematurely lifted in error and is then re-instituted, an Officer of the Exchange or senior level employee designee shall nullify transactions that occur before the official, final end of the halt, suspension or pause according to the primary listing market. Any action taken in connection with this paragraph shall be taken in a timely fashion, generally within thirty (30) minutes of the detection of the erroneous transaction and in no circumstances later than the start of Regular Trading Hours on the trading day following the date of execution(s) under review. Any action taken in connection with this paragraph will be taken without regard to the Percentage Parameters or Numerical Guidelines set forth in this Rule. Each Member involved in a transaction subject to this paragraph shall be notified as soon as practicable by the Exchange, and the party aggrieved by the action may appeal such action in accordance with the provisions of paragraph (e)(2) above.

Rule 11.16. (Reserved.)

Rule 11.17. Registration of Market Makers

(a) An applicant for registration as a Market Maker shall file an application in writing on such form as the Exchange may prescribe. Applications shall be reviewed by the Exchange, which shall consider such factors including, but not limited to capital, operations, personnel, technical resources, and disciplinary history. Each Market Maker must have and maintain minimum net capital of at least the amount required under Rule 15c3-1 of the Exchange Act.

(b) An applicant's registration as a Market Maker shall become effective upon receipt by the Member of notice of an approval of registration by the Exchange.

(c) The registration of a Market Maker may be suspended or terminated by the Exchange if the Exchange determines that:

(1) The Market Maker has substantially or continually failed to engage in dealings in accordance with Rule 11.21 or elsewhere in these Rules;

(2) The Market Maker has failed to meet the minimum net capital conditions set forth under paragraph (a) above;

(3) The Market Maker has failed to maintain fair and orderly markets; or

(4) The Market Maker does not have at least one registered Market Maker Authorized Trader ("MMAT") qualified to perform market making activities as set forth in Rule 11.18(b)(5). A MMAT whose registration is suspended pursuant to this paragraph (c) shall not be deemed qualified within the meaning of this subsection.

(d) Any registered Market Maker may withdraw its registration by giving written notice to the Exchange. The Exchange may require a certain minimum prior notice period for withdrawal, and may place such other conditions on withdrawal and re-registration following withdrawal, as it deems appropriate in the interest of maintaining fair and orderly markets.

(e) Any person aggrieved by any determination under this Rule 11.17 or Rules 11.18 or 11.19 below may seek review under Chapter 10 of Exchange Rules governing adverse action.

(f) Registered Market Makers are designated as dealers on the Exchange for all purposes under the Exchange Act and the rules and regulations thereunder.

Rule 11.18. Obligations of Market Maker Authorized Traders

(a) General. MMATs are permitted to enter orders only for the account of the Market Maker for which they are registered.

(b) Registration of Market Maker Authorized Traders. The Exchange may, upon receiving an application in writing from a Market Maker on a form prescribed by the Exchange, register a person as a MMAT.

(1) MMATs may be officers, partners, employees or other associated persons of Members that are registered with the Exchange as Market Makers.

(2) To be eligible for registration as a MMAT, a person must successfully complete proficiency examinations and continuing education requirements applicable to Authorized Traders, as set forth in Interpretation and Policies .01 and .02 to Rule 2.5, and any other training and/or certification programs as may be required by the Exchange.

(3) The Exchange may require a Market Maker to provide any and all additional information the Exchange deems necessary to establish whether registration should be granted.

(4) The Exchange may grant a person conditional registration as a MMAT subject to any conditions it considers appropriate in the interest of maintaining a fair and orderly market.

(5) A Market Maker must ensure that a MMAT is properly qualified to perform market making activities, including but not limited to ensuring the MMAT has met the requirements set forth in paragraph (b)(2) of this Rule.

(c) Suspension or Withdrawal of Registration.

(1) The Exchange may suspend or withdraw the registration previously given to a person to be a MMAT if the Exchange determines that:

(A) the person has caused the Market Maker to fail to comply with the securities laws, rules and regulations or the By-Laws, Rules and procedures of the Exchange;

(B) the person is not properly performing the responsibilities of a MMAT;

(C) the person has failed to meet the conditions set forth under paragraph (b) above; or

(D) the MMAT has failed to maintain fair and orderly markets.

(2) If the Exchange suspends the registration of a person as a MMAT, the Market Maker must not allow the person to submit orders into the System.

(3) The registration of a MMAT will be withdrawn upon the written request of the Member for which the MMAT is registered. Such written request shall be submitted on a form prescribed by the Exchange.

Rule 11.19. Registration of Market Makers in a Security

(a) A Market Maker may become registered in a newly authorized security or in a security already admitted to dealings on the Exchange by filing a security registration form with the Exchange. Registration in the security shall become effective on the same day as the Exchange's approval of the registration, unless otherwise provided by the Exchange. In considering the approval of the registration of the Market Maker in a security, the Exchange may consider:

(1) the financial resources available to the Market Maker;

(2) the Market Maker's experience, expertise and past performance in making markets, including the Market Maker's performance in other securities;

(3) the Market Maker's operational capability;

(4) the maintenance and enhancement of competition among Market Makers in each security in which the Market Maker is registered;

(5) the existence of satisfactory arrangements for clearing the Market Maker's transactions; and

(6) the character of the market for the security, e.g., price, volatility, and relative liquidity.

(b) Voluntary Termination of Security Registration. A Market Maker may voluntarily terminate its registration in a security by providing the Exchange with a written notice of such termination. The Exchange may require a certain minimum prior notice period for such termination, and may place such other conditions on withdrawal and re-registration following withdrawal, as it deems appropriate in the interest of maintaining fair and orderly markets. A Market Maker that fails to give advanced written notice of termination to the Exchange may be subject to formal disciplinary action pursuant to Chapter 8 of these Rules.

(c) The Exchange may suspend or terminate any registration of a Market Maker in a security or securities under this Rule 11.19 whenever the Exchange determines that:

(1) The Market Maker has not met any of its obligations as set forth in these Rules; or

(2) The Market Maker has failed to maintain fair and orderly markets. A Market Maker whose registration is suspended or terminated pursuant to this Rule 11.19(c) may seek review under Chapter 10 of Exchange Rules governing adverse action.

(d) Nothing in this Rule 11.19 will limit any other power of the Exchange under the By-Laws, Rules, or procedures of the Exchange with respect to the registration of a Market Maker or in respect of any violation by a Market Maker of the provisions of this Rule 11.19.

Rule 11.20. Obligations of Market Makers

(a) General

Members who are registered as Market Makers in one or more securities traded on the Exchange must engage in a course of dealings for their own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets on the Exchange in accordance with these Rules. The responsibilities and duties of a Market Maker specifically include, but are not limited to, the following:

(1) Maintain continuous, two-sided quotations consistent with the requirements of paragraph (d) below;

(2) Remain in good standing with the Exchange and in compliance with all Exchange Rules applicable to it;

(3) Inform the Exchange of any material change in financial or operational condition or in personnel;

(4) Maintain a current list of MMATs who are permitted to enter orders on behalf of the Market Maker and provide an updated version of this list to the Exchange upon any change in MMATs; and

(5) Clear and settle transactions through the facilities of a registered clearing agency. This requirement may be satisfied by direct participation, use of direct clearing

services, or by entry into a correspondent clearing arrangement with another Member that clears trades through such agency.

(b) A Market Maker shall be responsible for the acts and omissions of its MMATs.

(c) If the Exchange finds any substantial or continued failure by a Market Maker to engage in a course of dealings as specified in paragraph (a) of this Rule, such Market Maker will be subject to disciplinary action, including, without limitation, suspension or revocation of its registration by the Exchange in one or more of the securities in which the Market Maker is registered. Nothing in this Rule 11.20 will limit any powers of the Exchange under the By-Laws, Rules, or procedures of the Exchange with respect to the registration of a Market Maker or in respect of any violation by a Market Maker of the provisions of this Rule 11.20. Any Member aggrieved by any determination under this Rule 11.20 may seek review under Chapter 10 of the Exchange Rules governing adverse action.

(d) Quotation Requirements and Obligations

(1) Continuous, Two-Sided Quote Obligation. For each security in which a Member is registered as a Market Maker, the Member shall be willing to buy and sell such security for its own account on a continuous basis during Regular Trading Hours and shall enter and maintain a two-sided trading interest ("Two-Sided Obligation") that is identified to the Exchange as the interest meeting the obligation and is displayed in the Exchange's System at all times. Interest eligible to be considered as part of a Market Maker's Two-Sided Obligation shall have a displayed quotation size of at least one normal unit of trading (or a larger multiple thereof); provided, however, that a Market Maker may augment its Two-Sided Obligation size to display limit orders priced at the same price as the Two-Sided Obligation. Unless otherwise designated, a "normal unit of trading" shall be 100 shares. After an execution against its Two-Sided Obligation, a Market Maker must ensure that additional trading interest exists in the System to satisfy its Two-Sided Obligation either by immediately entering new interest to comply with this obligation to maintain continuous two-sided quotations or by identifying existing interest on the MX2 Book that will satisfy this obligation.

(A) If a technical failure or limitation of a system of the Exchange prevents the Market Maker from maintaining or communicating to the Exchange timely and accurate quotes in each security in which a Member is registered as a Market Maker, the duration of such failure shall not be considered in determining whether the Market Maker has satisfied the quoting standard with respect to that security.

(B) The continuous quoting obligations set forth above: (i) shall be suspended during a trading halt, suspension, or pause in the security, and shall not re-commence until after the first regular way transaction on the primary listing market following such halt, suspension, or pause in the security, as reported by the responsible single plan processor, and (ii) shall be suspended for the duration that an NMS stock is in a Limit State or a Straddle State.

(C) The Exchange may consider other exceptions to the Two-Sided Obligation based on demonstrated legal or regulatory requirements or other mitigating circumstances.

(2) Pricing Obligations. For NMS stocks (as defined in Rule 600 of Regulation NMS) a Market Maker shall adhere to the pricing obligations established by this Rule during Regular Trading Hours; provided, however, that such pricing obligations (i) shall not commence during any trading day until after the first regular way transaction on the primary listing market in the security, as reported by the responsible single plan processor, and (ii) shall be suspended during a trading halt, suspension, or pause, and shall not recommence until after the first regular way transaction on the primary listing market in the security following such halt, suspension, or pause, as reported by the responsible single plan processor.

(A) Bid Quotations. At the time of entry of bid interest satisfying the Two-Sided Obligation, the price of the bid interest shall be not more than the Designated Percentage away from the then current NBB, or if no NBB, not more than the Designated Percentage away from the last reported sale as reported by the responsible single plan processor. In the event that the NBB (or if no NBB, the last reported sale) increases to a level that would cause the bid interest of the Two-Sided Obligation to be more than the Defined Limit away from the NBB (or if no NBB, the last reported sale), or if the bid is executed or cancelled, the Market Maker shall enter new bid interest at a price not more than the Designated Percentage away from the then current NBB (or if no NBB, the last reported sale), or must be able to identify to the Exchange current resting interest that satisfies the Two-Sided Obligation.

(B) Offer Quotations. At the time of entry of offer interest satisfying the Two-Sided Obligation, the price of the offer interest shall be not more than the Designated Percentage away from the then current NBO, or if no NBO, not more than the Designated Percentage away from the last reported sale reported by the responsible single plan processor. In the event that the NBO (or if no NBO, the last reported sale) decreases to a level that would cause the offer interest of the Two-Sided Obligation to be more than the Defined Limit away from the NBO (or if no NBO, the last reported sale), or if the offer is executed or cancelled, the Market Maker shall enter new offer interest at a price not more than the Designated Percentage away from the then current NBO (or if no NBO, the last reported sale), or must be able to identify to the Exchange current resting interest that satisfies the Two-Sided Obligation.

(C) The NBB and NBO, as defined in Rule 1.5, shall be determined by the Exchange in accordance with its procedures for determining Protected Quotations under Rule 600 of Regulation NMS.

(D) For purposes of this Rule, the "Designated Percentage" shall be 8% for Tier 1 NMS Stocks under the Limit Up-Limit Down Plan, 28% for Tier 2

NMS Stocks under the Limit Up-Limit Down Plan with a price equal to or greater than $1.00, and 30% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price less than $1.00, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, when Exchange Rule 11.23(b) is not in effect, the Designated Percentage shall be 20% for Tier 1 NMS Stocks under the Limit Up-Limit Down Plan, 28% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price equal to or greater than $1.00, and 30% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price less than $1.00.

(E) For purposes of this Rule, the term "Defined Limit" shall be 9.5% for Tier 1 NMS Stocks under the Limit Up-Limit Down Plan, 29.5% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price equal to or greater than $1.00, and 31.5% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price less than $1.00, except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, when Exchange Rule 11.23(b) is not in effect, the Defined Limit shall be 21.5% for Tier 1 NMS Stocks under the Limit Up-Limit Down Plan, 29.5% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price equal to or greater than $1.00, and 31.5% for Tier 2 NMS Stocks under the Limit Up-Limit Down Plan with a price less than $1.00.

(F) Nothing in this Rule shall preclude a Market Marker from quoting at price levels that are closer to the NBBO than the levels required by this Rule.

(G) The minimum quotation increment for quotations of $1.00 or above shall be $0.01. The minimum quotation increment in the System for quotations below $1.00 shall be $0.0001.

Rule 11.21. Retail Orders

(a) Definitions.

(1) Retail Member Organization. A "Retail Member Organization" or "RMO" is a Member (or a division thereof) that has been approved by the Exchange under this Rule to submit Retail Orders.

(2) Retail Order. A "Retail Order" is an agency or riskless principal order that meets the criteria of FINRA Rule 5320.03 that originates from a natural person and is submitted to the Exchange by a Retail Member Organization, provided that no change is made to the terms of the order with respect to price or side of market and the order does not originate from a trading algorithm or any other computerized methodology.

(b) Retail Member Organization Qualifications and Application.

(1) To qualify as a Retail Member Organization, a Member must conduct a retail business or route retail orders on behalf of another broker-dealer. For purposes of

this Rule, conducting a retail business shall include carrying retail customer accounts on a fully disclosed basis.

(2) To become a Retail Member Organization, a Member must submit:

(A) an application form;

(B) supporting documentation, which may include sample marketing literature, website screenshots, other publicly disclosed materials describing the Member's retail order flow, and any other documentation and information requested by the Exchange in order to confirm that the applicant's order flow would meet the requirements of the Retail Order definition; and

(C) an attestation, in a form prescribed by the Exchange, that substantially all orders submitted as Retail Orders will qualify as such under this Rule.

(3) After an applicant submits the application form, supporting documentation, and attestation, the Exchange shall notify the applicant of its decision in writing.

(4) A disapproved applicant may: (A) request an appeal of such disapproval by the Exchange as provided in paragraph (d) below; and/or (B) reapply for Retail Member Organization status 90 days after the disapproval notice is issued by the Exchange.

(5) A Retail Member Organization may voluntarily withdraw from such status at any time by giving written notice to the Exchange.

(6) A Retail Member Organization must have written policies and procedures reasonably designed to assure that it will only designate orders as Retail Orders if all requirements of a Retail Order are met. Such written policies and procedures must require the Member to: (i) exercise due diligence before entering a Retail Order to assure that entry as a Retail Order is in compliance with the requirements of this Rule, and (ii) monitor whether orders entered as Retail Orders meet the applicable requirements. If a Retail Member Organization does not itself conduct a retail business but routes Retail Orders on behalf of another broker-dealer, the Retail Member Organization's supervisory procedures must be reasonably designed to assure that the orders it receives from such other broker-dealer that are designated as Retail Orders meet the definition of a Retail Order. The Retail Member Organization must: (i) obtain an annual written representation, in a form acceptable to the Exchange, from each other broker-dealer that sends the Retail Member Organization orders to be designated as Retail Orders that entry of such orders as Retail Orders will be in compliance with the requirements of this Rule; and (ii) monitor whether Retail Order flow routed on behalf of such other broker-dealers meets the applicable requirements.

(c) Failure of RMO to Abide by Retail Order Requirements.

(1) If a Retail Member Organization designates orders submitted to the Exchange as Retail Orders and the Exchange determines, in its sole discretion, that such orders fail to meet any of the requirements set forth in paragraph (a) of this Rule, the Exchange may disqualify a Member from its status as a Retail Member Organization.

(2) Disqualification Determinations. The Exchange shall determine if and when a Member is disqualified from its status as a Retail Member Organization. When disqualification determinations are made, the Exchange shall provide a written disqualification notice to the Member.

(3) Appeal and/or Reapplication for Retail Member Organization Status. A Retail Member Organization that is disqualified under this paragraph (c) may: (A) appeal such disqualification as provided in paragraph (d) below; and/or (B) reapply for Retail Member Organization status 90 days after the date of the disqualification notice from the Exchange.

(d) Appeal of Disapproval or Disqualification.

(1) If a Member disputes the Exchange's decision to disapprove it under paragraph (b) above or disqualify it under paragraph (c) above, the Member may request, within five business days after notice of the decision is issued by the Exchange, that the Retail Member Organization Panel (the "RMO Panel") review the decision to determine if it was correct.

(2) The RMO Panel shall consist of the Exchange's CRO, or a designee of the CRO, and two officers of the Exchange designated by the Chief Executive Officer.

(3) The RMO Panel shall review the facts and render a decision within the time frame prescribed by the Exchange.

(4) The RMO Panel may overturn or modify an action taken by the Exchange under this Rule. A determination by the RMO Panel shall constitute final action by the Exchange.

Rule 11.22. Limit Up-Limit Down Plan and Trading Halts on the Exchange

(a) Definitions

(1) The term "UTP Exchange Traded Product" is defined in Rule 1.5.

(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 Rule 1.5.

(6) "Pre-Market Session" is defined in Rule 1.5.

(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 Rule 11.8.

(2) Limit-priced Interest.

(A) Displayed Limit-priced Interest. Displayed limit-priced interest will be cancelled 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 Rule 11.6(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 cancelled 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 cancelled 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) Routable Orders. If routing is permitted based on a User's instructions, orders shall be routed away from the Exchange pursuant to Rule 11.11, provided that

the System shall not route buy (sell) interest at a price above (below) the Upper (Lower) Price Band.

(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 Rule 11.6(i).

(ii) The Exchange shall implement a trading halt due to extraordinary market volatility/Market-Wide Circuit Breakers, as set forth in Rule 11.23.

(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 cancelled. 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 cancelled. 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 11.23. Trading Halts Due to Extraordinary Market Volatility/Market-Wide Circuit Breakers

(a) Trading in all stocks will halt on the Exchange and will not reopen for the time periods described in this Rule if there is a Level 1, 2, or 3 Market Decline.

(1) For purposes of this Rule, a Market Decline means a decline in price of the S&P 500® Index between 9:30 a.m. and 4:00 p.m. on a trading day as compared to the closing price of the S&P 500® Index for the immediately preceding trading day. The Level 1, Level 2, and Level 3 Market Declines that will be applicable for the trading day will be publicly disseminated by the Primary Listing Market before 9:30 a.m.

(2) A "Level 1 Market Decline" means a Market Decline of 7%.

(3) A "Level 2 Market Decline" means a Market Decline of 13%.

(4) A "Level 3 Market Decline" means a Market Decline of 20%.

(b) Halts in Trading.

(1) If a Level 1 Market Decline or a Level 2 Market Decline occurs after 9:30 a.m. and up to and including 3:25 p.m., or in the case of an early scheduled close, 12:25 p.m., trading in all stocks will halt on the Exchange for 15 minutes after a Level 1 or Level 2 Market Decline. Trading in all stocks will halt on the Exchange based on a Level 1 or Level 2 Market Decline only once per trading day. Trading in all stocks will not halt on the Exchange if a Level 1 Market Decline or a Level 2 Market Decline occurs after 3:25 p.m., or in the case of an early scheduled close, 12:25 p.m.

(2) If a Level 3 Market Decline occurs at any time during the trading day, trading in all stocks will halt on the Exchange for the remainder of the trading day.

(c) If the Primary Listing Market halts trading in all stocks, trading will halt on the Exchange in those stocks until trading has resumed on the Primary Listing Market or notice has been received from the Primary Listing Market that trading may resume. If the Primary Listing Market does not reopen a security within 15 minutes following the end of the 15-minute halt period, the Exchange may resume trading in that security.

(d) Nothing in this Rule should be construed to limit the ability of the Exchange to otherwise halt, suspend, or pause the trading in any stock or stocks traded on the Exchange pursuant to any other Exchange rule or policy.

(e) Market-Wide Circuit Breaker ("MWCB") Testing.

(1) The Exchange will participate in all industry-wide tests of the MWCB mechanism. Members designated pursuant to paragraph (a) of Rule 2.4 to connect to the Exchange's backup systems and participate in testing of such systems are required to

participate in at least one industry-wide MWCB test each year and to verify their participation in that test by attesting that they are able to or have attempted to:

(A) receive and process MWCB halt messages from the securities information processors ("SIP");

(B) receive and process resume messages from the SIPs following a MWCB halt;

(C) receive and process market data from the SIPs relevant to MWCB halts; and

(D) send orders following a Level 1 or Level 2 MWCB halt in a manner consistent with their usual trading behavior.

(2) To the extent that a Member participating in a MWCB test is unable to receive and process any of the messages identified in paragraph (h)(1)(A)-(D) of this Rule, its attestation should notify the Exchange which messages it was unable to process and, if known, why.

(3) Members not designated pursuant to standards established in paragraph (a) of Rule 2.4 are permitted to participate in any MWCB test.

(f) In the event that a halt is triggered under this Rule following a Level 1, Level 2, or Level 3 Market Decline, the Exchange, together with other SROs and industry representatives (the "MWCB Working Group"), will review such event. The MWCB Working Group will prepare a report that documents its analysis and recommendations and will provide that report to the Commission within 6 months of the event.

(g) In the event that there is (1) a Market Decline of more than 5%, or (2) an SRO implements a rule that changes its reopening process following a MWCB Halt, the Exchange, together with the MWCB Working Group, will review such event and consider whether any modifications should be made to this Rule. If the MWCB Working Group recommends that a modification should be made to this Rule, the MWCB Working Group will prepare a report that documents its analysis and recommendations and provide that report to the Commission.

CHAPTER 12. TRADING PRACTICE RULES

The rules contained in MEMX Chapter 12, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 12 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 12 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 13. MISCELLANEOUS PROVISIONS

The rules contained in MEMX Chapter 13, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 13 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 13 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

(*Adopted March 13, 2025; amended by SR-MEMX-2025-17, eff. June 17, 2025; amended by SR-MEMX-2025-32, eff. November 19, 2025; amended by SR-MEMX-2026-06, eff. February 19, 2026*)

CHAPTER 14. TRADING ON AN UNLISTED TRADING PRIVILEGES BASIS

The rules contained in MEMX Chapter 14, as such rules may be in effect from time to time, apply to MX2 and are incorporated into this Chapter. Members must comply with MEMX Chapter 14 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 14 have the following meanings for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member" (i.e., MX2 Member).

CHAPTER 15. DUES, FEES, ASSESSMENTS AND OTHER CHARGES, EFFECTIVE DATE

Rule 15.1. Authority to Prescribe Dues, Fees, Assessments and Other Charges

(a) Generally.

The Exchange may prescribe such reasonable dues, fees, assessments or other charges as it may, in its discretion, deem appropriate. Such dues, fees, assessments and charges may include membership dues, transaction fees, communication and technology fees, regulatory charges, listing fees, and other fees and charges as the Exchange may determine. All such dues, fees and charges shall be equitably allocated among Members, issuers and other persons using the Exchange's facilities.

(b) Regulatory Transaction Fee.

Under Section 31 of the Act, the Exchange must pay certain fees to the Commission. To help fund the Exchange's obligations to the Commission under Section 31, this Regulatory Transaction Fee is assessed to Members. To the extent there may be any excess monies collected under this Rule, the Exchange may retain those monies to help fund its general operating expense. Each Member engaged in executing transactions on the Exchange shall pay, in such manner and at such times as the Exchange shall direct, a Regulatory Transaction Fee equal to (i) the rate determined by the Commission to be applicable to covered sales occurring on the Exchange in accordance with Section 31 of the Act multiplied by (ii) the Member's aggregate dollar amount of covered sales occurring on the Exchange during any computational period.

(c) Schedule of Fees.

The Exchange will provide Members with notice of all relevant dues, fees, assessments and charges of the Exchange. Such notice may be made available to Members on the Exchange's website or by any other method deemed reasonable by the Exchange.

(d) Cross-Connection Pass Through Fees.

To the extent the Exchange is charged a fee by a third party that results directly from a Member cross-connecting its trading hardware to the Exchange's System from another Trading Center's system that is located in the same data center as the Exchange, the Exchange will pass that fee on, in full and without mark-up, to the Member.

(e) Registration and Processing Fees (CRD).

The following fees will be collected and retained by FINRA via the CRD registration system for the registration of associated persons of Members that are not also FINRA members:

(1) $125 for each initial Form U4 filed for the registration of a representative or principal;

(2) $110 for the additional processing of each initial or amended Form U4, Form U5 or Form BD that includes the initial reporting, amendment, or certification of one or more disclosure events or proceedings;

(3) $45 annually for each of the Member's registered representatives and principals for system processing;

(4) $15 for processing and posting to the CRD system each set of fingerprint cards submitted electronically by the Member, plus a pass-through of any other charge imposed by the United States Department of Justice for processing each set of fingerprints;

(5) $30 for processing and posting to the CRD system each set of fingerprint cards submitted in non-electronic format by the Member, plus a pass-through of any other charge imposed by the United States Department of Justice for processing each set of fingerprints; and

(6) $30 for processing and posting to the CRD system each set of fingerprint results and identifying information that has been processed through a self-regulatory organization other than FINRA.

Rule 15.2. Regulatory Revenues

Any revenues received by the Exchange from fees derived from its regulatory function or regulatory fines will not be used for non-regulatory purposes or distributed to the MEMX Holdings LLC, but rather, shall be applied to fund the legal and regulatory operations of the Exchange (including surveillance and enforcement activities), or, as the case may be, shall be used to pay restitution and disgorgement of funds intended for customers (except in the event of liquidation of the Exchange, which case MEMX Holdings LLC will be entitled to the distribution of the remaining assets of the Exchange).

Rule 15.3. Collection of Exchange Fees and Other Claims and Billing Policy

(a) *Collection Through Direct Debit*. Each Member, and all applicants for registration as such, shall be required to provide one or more clearing account numbers that correspond to an account(s) at the National Securities Clearing Corporation ("NSCC") for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges pursuant to Rule 15.1, including the Exchange Fee Schedule thereto; Regulatory Transaction Fees pursuant to Rule 15.1(b); dues, assessments and other charges pursuant to Rule 2.9 to the extent the Exchange were to determine to charge such fees; and fines, sanctions and other charges pursuant to Chapter 8 of the Exchange Rules which are due and owing to the Exchange. The Exchange will, upon request, waive the requirement for a Member or applicant for registration as such to provide an NSCC clearing account number and instead require such Member or applicant to provide alternative payment instructions as agreed to by the Exchange for purposes of permitting the Exchange to debit any of the fees, fines, charges and/or other monetary sanctions or other monies

due and owing to the Exchange listed above; provided, however, that the Exchange reserves the right to require any such Member or applicant to provide an NSCC clearing account number for such purposes as set forth above if the Exchange encounters repeated failed collection attempts using such alternative payment instructions.

(b) *Pricing Disputes*. All pricing disputes concerning fees, which are listed in paragraph (a), which are billed by the Exchange must be submitted to the Exchange in writing and must be accompanied by supporting documentation. If a Member disputes an invoice, the Exchange will not include the disputed amount in the debit if the Member has provided written notification of the dispute to the Finance Department of the Exchange by the later of the 16th business day of the month or ten (10) days after the date the electronic invoice was sent to the Member, and the amount in dispute is at least $10,000 or greater. All pricing disputes must be submitted no later than sixty (60) days after receipt of a billing invoice.

(c) *Billing Errors*. All fees and rebates assessed by the Exchange prior to the three full calendar months before the month in which the Exchange becomes aware of a billing error shall be considered final.

Interpretations and Policies

.01 Fees Collected by FINRA.

The Exchange will not debit fees due to FINRA pursuant to Exchange Rule 15.1(a), which are collected and retained by FINRA.

CHAPTER 16. GENERAL PROVISIONS - MX2 OPTIONS

Rule 16.1. Definitions

With respect to the Rules contained in Chapters 16 to 29 below, relating to the trading of options contracts on the Exchange, the following terms shall have the meanings specified in this Rule. A term defined elsewhere in the Exchange Rules shall have the same meaning with respect to this Chapter 16, unless otherwise defined below.

ABBO

The term "ABBO" means the best bid(s) or offer(s) disseminated by other Eligible Exchanges (as defined in Rule 27.1) and calculated by the Exchange based on market information the Exchange receives from OPRA.

Aggregate Exercise Price

The term "aggregate exercise price" means the exercise price of an options contract multiplied by the number of units of the underlying security covered by the options contract.

American-Style Option

The term "American-style option" means an options contract that, subject to the provisions of Rule 23.1 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, may be exercised at any time from its commencement time until its expiration.

Associated Person and Person Associated with an Options Member

The terms "associated person" and "person associated with an Options Member" mean any partner, officer, director, or branch manager of an Options Member (or any person occupying a similar status or performing similar functions), any person directly or indirectly controlling, controlled by, or under common control with an Options Member or any employee of an Options Member.

Bid

The term "bid" means a limit order to buy one or more options contracts.

Board

The term "Board" means the Board of Directors of MX2 LLC.

Call

The term "call" means an options contract under which the holder of the option has the right, in accordance with the terms of the option, to purchase from the Clearing Corporation the number of shares of the underlying security covered by the options contract.

Capacity

The term "Capacity" means the capacity in which a User submits an order, which the User specifies by applying the corresponding code to the order. The Capacity codes available on MX2 Options will be listed in publicly available specifications and published in a Regulatory Circular.

Class of Options

The terms "class" or "class of options" mean all options contracts with the same unit of trading covering the same underlying security or index.

Clearing Corporation and OCC

The terms "Clearing Corporation" and "OCC" mean The Options Clearing Corporation.

Clearing Member

The term "Clearing Member" means an Options Member that is self-clearing or an Options Member that clears MX2 Options Transactions for other Members of MX2 Options.

Closing Purchase Transaction

The term "closing purchase transaction" means an MX2 Options Transaction that reduces or eliminates a short position in an options contract.

Closing Writing Transaction

The term "closing writing transaction" means an MX2 Options Transaction that reduces or eliminates a long position in an options contract.

Covered Short Position

The term "covered short position" means (i) an options position where the obligation of the writer of a call option is secured by a "specific deposit" or an "escrow deposit" meeting the conditions of Rules 610(f) or 610(g), respectively, of the Rules of the Clearing Corporation, or the writer holds in the same account as the short position, on a share-for-share basis, a long position either in the underlying security or in an options contract of the same class of options where the exercise price of the options contract in such long position is equal to or less than the exercise price of the options contract in such short position; and (ii) an options position where the writer of a put option holds in the same account as the short position, on a share-for-share basis, a long position in an options contract of the same class of options where the exercise price

of the options contract in such long position is equal to or greater than the exercise price of the options contract in such short position.

Customer

The term "Customer" means a Public Customer or a broker-dealer.

Customer Order

The term "Customer Order" means an agency order for the account of a Customer.

Discretion

The term "discretion" means the authority of a broker or dealer to determine for a Customer the type of option, the class or series of options, the number of contracts, or whether options are to be bought or sold.

European-Style Option

The term "European-style option" means an options contract that, subject to the provisions of Rule 23.1 (relating to the cutoff time for exercise instructions) and to the Rules of the Clearing Corporation, can be exercised only on its expiration date.

Exchange Act

The term "Exchange Act" means the Securities Exchange Act of 1934, as amended, or Rules thereunder.

Exercise Price

The term "exercise price" means the specified price per unit at which the underlying security may be purchased or sold upon the exercise of an options contract.

He, Him, and His

The terms "he," "him" and "his" are deemed to refer to persons of female as well as male gender, and to include organizations, as well as individuals, when the context so requires.

Index Option

The term "index option" means an options contract that is an option on a broad-based, narrow-based or micro narrow-based index of equity securities prices.

Individual Equity Option

The term "individual equity option" means an options contract which is an option on an equity security.

Long Position

The term "long position" means a person's interest as the holder of one or more options contracts.

MX2 Exchange and Exchange

The terms "MX2 Exchange" and "Exchange" mean MX2 LLC.

MX2 Exchange Rules and Exchange Rules

The terms "MX2 Exchange Rules" and "Exchange Rules" mean the rules of the Exchange, including those for equities and options.

MX2 Options

The term "MX2 Options" means the MX2 LLC Options Market, an options trading facility of the Exchange under Section 3(a)(2) of the Exchange Act.

MX2 Options Book

The term "MX2 Options Book" means the electronic book of options orders maintained by the Trading System.

MX2 Options Transaction

The term "MX2 Options Transaction" means a transaction involving an options contract that is effected on or through MX2 Options or its facilities or systems.

NBB, NBO, and NBBO

The term "NBB" means the national best bid, the term "NBO" means the national best offer, and the term "NBBO" means the national best bid or offer as calculated by MX2 Options based on market information received by MX2 Options from OPRA.

Offer

The term "offer" means a limit order to sell one or more options contracts.

OPRA

The term "OPRA" means the Options Price Reporting Authority.

Opening Purchase Transaction

The term "opening purchase transaction" means an MX2 Options Transaction that creates or increases a long position in an options contract.

Opening Writing Transaction

The term "opening writing transaction" means an MX2 Options Transaction that creates or increases a short position in an options contract.

Options Contract

The term "options contract" means a put or a call issued, or subject to issuance by the Clearing Corporation pursuant to the Rules of the Clearing Corporation.

Options Market Close and Market Close

The terms "options market close" and "market close" mean the time the Exchange specifies for the end of a trading session on the Exchange on that trading day.

Options Market Maker and Market Maker

The terms "Options Market Maker" and "Market Maker" mean an Options Member registered with the Exchange for the purpose of making markets in options contracts traded on the Exchange and that is vested with the rights and responsibilities specified in Chapter 22 of these Rules.

Options Market Open and Market Open

The terms "options market open" and "market open" mean the time the Exchange specifies for the beginning of a trading session on the Exchange on that trading day.

Options Member

The term "Options Member" means a firm, or organization that is registered with the Exchange pursuant to Chapter 17 of these Rules for purposes of participating in options trading on MX2 Options as an "Options Order Entry Firm" or "Options Market Maker."

Options Member Agreement

The term "Options Member Agreement" means the agreement to be executed by Options Members to qualify to participate on MX2 Options.

Options Order Entry Firm, Order Entry Firm, and OEF

The terms "Options Order Entry Firm" and "Order Entry Firm" or "OEF" mean those Options Members representing as agent Customer Orders on MX2 Options and those non-Market Maker Members conducting proprietary trading.

Options Principal

The term "Options Principal" means a person engaged in the management and supervision of the Options Member's business pertaining to options contracts that has responsibility for the overall oversight of the Options Member's options related activities on the Exchange.

Order

The term "order" means a firm commitment to buy or sell options contracts as defined in Rule 21.1(c).

Outstanding

The term "outstanding" means an options contract which has been issued by the Clearing Corporation and has neither been the subject of a closing writing transaction nor has reached its expiration date.

Primary Market

The term "primary market" means, in the case of securities listed on Nasdaq Stock Market, LLC ("Nasdaq"), the market that is identified as the listing market pursuant to Section X(d) of the approved national market system plan governing the trading of Nasdaq-listed securities, and, in the case of securities listed on another national securities exchange, the market that is identified as the listing market pursuant to Section XI of the Consolidated Tape Association Plan.

Priority Customer and Priority Customer Order

The term "Priority Customer" means any person or entity that is not: (A) a broker or dealer in securities; or (B) a Professional. The term "Priority Customer Order" means an order for the account of a Priority Customer.

Professional

The term "Professional" means any person or entity that (A) is not a broker or dealer in securities; and (B) places more than 390 orders in listed options per day on average during a calendar month for its own beneficial account(s). All Professional orders shall be appropriately marked by Options Members. Orders for any customer that had an average of more than 390 orders per day during any calendar month must be represented as Professional orders for the next calendar month. Options Members will be required to conduct a monthly review and make any

appropriate changes to the way in which they are representing orders within five days after the end of each calendar month.

Protected Quotation

The term "Protected Quotation" has the meaning provided in Rule 27.1.

Public Customer

The term "Public Customer" means a person that is not a broker or dealer in securities.

Put

The term "put" means an options contract under which the holder of the option has the right, in accordance with the terms and provisions of the option and the Rules of the OCC, to sell to the Clearing Corporation the number of units of the underlying security covered by the options contract, at a price per unit equal to the exercise price, upon the timely exercise of such option.

Quarterly Options Series

The term "Quarterly Options Series" means a series in an options class that is approved for listing and trading on the Exchange in which the series is opened for trading on any business day and expires at the close of business on the last business day of a calendar quarter.

Quote and Quotation

The terms "quote" and "quotation" mean a bid or offer entered by a Market Maker as a firm order that updates the Market Maker's previous bid or offer, if any.

Responsible Person

The term "Responsible Person" means a U.S.-based officer, director, or management-level employee of an Options Member, who is registered with the Exchange as an Options Principal, responsible for the direct supervision and control of associated persons of that Options Member.

Rules of MX2 Options

The term "Rules of MX2 Options" mean the rules contained in Chapters 16 to 29 of the MX2 LLC Exchange Rules governing the trading of options on the Exchange.

Rules of the Clearing Corporation and Rules of the OCC

The terms "Rules of the Clearing Corporation" and "Rules of the OCC" mean the Certificate of Incorporation, the By-Laws and the Rules of the Clearing Corporation, and all written interpretations thereof, as may be in effect from time to time.

SEC and Commission

The terms "SEC" and "Commission" mean the United States Securities and Exchange Commission.

Series of Options

The terms "series" or "series of options" mean all options contracts of the same class that are the same type of options and have the same exercise price and expiration date.

Short Position

The term "short position" means a person's interest as the writer of one or more options contracts.

Short Term Option Series

The term "Short Term Option Series" means a series in an option class that is approved for listing and trading on the Exchange in which the series is opened for trading on any Monday, Tuesday, Wednesday, Thursday or Friday that is a business day and that expires on the Monday, Wednesday or Friday of the next business week, or, in the case of a series that is listed on a Friday and expires on a Monday, is listed one business week and one business day prior to that expiration. If a Tuesday, Wednesday, Thursday or Friday is not a business day, the series may be opened (or shall expire) on the first business day immediately prior to that Tuesday, Wednesday, Thursday or Friday, respectively. For a series listed pursuant to this section for Monday expiration, if a Monday is not a business day, the series shall expire on the first business day immediately following that Monday.

SRO

The term "SRO" means a self-regulatory organization as defined in Section 3(a)(26) of the Exchange Act.

Trading System and System

The terms "Trading System" and "System" mean the automated trading system used by MX2 Options for the trading of options contracts.

Type of Option

The term "type of option" means the classification of an options contract as either a put or a call.

Uncovered

The term "uncovered" means a short position in an options contract that is not covered.

Underlying Security

The term "underlying security" means the security that the Clearing Corporation shall be obligated to sell (in the case of a call option) or purchase (in the case of a put option) upon the valid exercise of an options contract.

User

The term "User" means any Options Member or Sponsored Participant who is authorized to obtain access to the System pursuant to Rule 11.3 (Access).

Interpretations and Policies

.01 Calculation of Professional Orders. Except as noted below, each order of any order type counts as one order for Professional order counting purposes.

(a) Complex Orders:

(1) A complex order comprised of eight (8) option legs or fewer counts as a single order;

(2) A complex order comprised of nine (9) option legs or more counts as multiple orders with each option leg counting as its own separate order;

(b) "Parent"/"Child" Orders:

(1) Same Side and Same Series: A "parent" order that is placed for the beneficial account(s) of a person or entity that is not a broker or dealer in securities that is broken into multiple "child" orders on the same side (buy/sell) and series as the "parent" order by a broker or dealer, or by an algorithm housed at a broker or dealer or by an algorithm licensed from a broker or dealer, but which is housed with the customer, counts as one order even if the "child" orders are routed across multiple exchanges.

(2) Both Sides and/or Multiple Series: A "parent" order (including a strategy order) that is broken into multiple "child" orders on both sides (buy/sell) of a series and/or multiple series counts as multiple orders, with each "child" order counting as a new and separate order.

(c) Cancel/Replace:

(1) Except as provided in paragraph (c)(2) below, any order that cancels and replaces an existing order counts as a separate order (or multiple new orders in the case of a complex order comprised of nine (9) option legs or more).

(2) Same Side and Same Series: An order that cancels and replaces any "child" order resulting from a "parent" order that is placed for the beneficial account(s) of a person or entity that is not a broker, or dealer in securities that is broken into multiple "child" orders on the same side (buy/sell) and series as the "parent" order by a broker or dealer, by an algorithm housed at a broker or dealer, or by an algorithm licensed from a broker or dealer, but which is housed with the customer, does not count as a new order.

(3) Both Sides and/or Multiple Series: An order that cancels and replaces any "child" order resulting from a "parent" order (including a strategy order) that generates "child" orders on both sides (buy/sell) of a series and/or in multiple series counts as a new order.

(Amended by SR-MX2-2026-07, eff. September 15, 2026)

Rule 16.2. Applicability

(a) The Rules contained in Chapters 16 to 29 herein are the Exchange Rules applicable to the trading of options contracts issued by The Options Clearing Corporation through MX2 Options, the terms and conditions of such contracts, the exercise and settlement thereof, the handling of orders, and the conduct of accounts and other matters relating to options trading on MX2 Options.

(b) Except to the extent that specific Rules relating to options trading govern or unless the context otherwise requires, the provisions of the Exchange Rules shall be applicable to Options Members and to the trading of option contracts on MX2 Options and, for purposes of their application with respect to Options Members and options trading shall be interpreted in light of the nature of options trading and the MX2 Options market, and the fact that options on MX2 Options shall be traded electronically through the Trading System. To the extent that the provisions of the Rules relating to options trading contained in Chapters 16 to 29 are inconsistent with any other provisions of the Exchange Rules, the Rules relating to options trading shall control.

(c) For marketing and other purposes, the Exchange's options market facility may be referred to as the "MX2 Options Exchange" or "MX2 Options."

CHAPTER 17. PARTICIPATION ON MX2 OPTIONS

Rule 17.1. Options Participation

(a) These Rules establish a new category of MX2 Exchange member participation called "Options Member." Only Options Members and their Sponsored Participants may transact business on MX2 Options via the Trading System. Options Members may trade options for their own proprietary accounts or, if authorized to do so under applicable law, and consistent with these Rules and with applicable law and SEC rules and regulations, may conduct business on behalf of Customers.

(b) A prospective Options Member must:

(1) complete an Options Member Application in the form prescribed by the Exchange;

(2) provide such other information as required by the Exchange;

(3) be an existing member or become a Member of the Exchange, pursuant to Chapter 2 (Members of the Exchange), and continue to abide by the requirements of the Chapter 2 Exchange Rules with respect to participation in MX2 Options;

(4) enter into an Options Member Agreement in the form specified by the Exchange, agree to abide by the same as it has been or shall be from time to time amended, and pledge to abide by the Exchange Rules as amended from time to time, and by all circulars, notices, directives or decisions adopted pursuant to or made in accordance with the Exchange Rules; and

(5) be under the supervision and control of a Responsible Person who is registered with the Exchange as an Options Principal.

(c) Upon completion of the application, the Exchange, or person(s) designated by the Exchange ("designee") shall consider whether to approve the application, unless there is just cause for delay. In its consideration process, the Exchange may conduct such investigation as it deems appropriate and may take such steps as it deems necessary to confirm the information provided by the applicant. Within thirty (30) days after the Exchange or its designee has completed its consideration of an application, it shall provide written notice of the action of the Exchange, specifying in the case of disapproval of an application the grounds therefore.

(d) These Rules place no limit on the number of qualifying entities that may become Options Members. However, based on system constraints or capacity restrictions, approval of qualifying applications for Options Members may, in limited circumstances, be temporarily deferred. To the extent that the Board places limitations on otherwise qualified applicants to act as Options Members, such limits shall be objectively determined and submitted to the Commission for approval pursuant to a rule change filing under Section 19(b) of the Exchange Act.

(e) Options Member status cannot be leased or transferred except in the event of a change in control or corporate reorganization involving an Options Member. In such a case, Options Member status may be transferred to a qualified affiliate or successor upon written notice to the Exchange or its designee.

(f) Every Options Member shall file with the Exchange and keep current an address where notices may be served, including current addresses of each Responsible Person, as specified in paragraph (b)(5) of this Rule.

Rule 17.2. Requirements for Options Participation

(a) Options Members may be corporations, partnerships, limited liability companies or sole proprietorships organized under the laws of a jurisdiction of the United States, or such other jurisdictions as the Exchange may approve.

(b) Options Members must be Clearing Members or establish a clearing arrangement with a Clearing Member.

(c) Options Members must have demonstrated ability to adhere to all applicable Exchange, SEC, Clearing Corporation and Federal Reserve Board policies, rules and regulations related to the trading of options, including those concerning record-keeping, reporting, finance and trading procedures and be able to satisfactorily demonstrate reasonably adequate systems capability and capacity.

(d) All associated persons of Options Members who are not themselves Responsible Persons must be under the supervision of a U.S.-based Responsible Person who is registered with the Exchange as an Options Principal.

(e) Every Options Member shall have as the principal purpose of being an Options Member the conduct of a securities business. Such a purpose shall be deemed to exist if and so long as:

(1) the Options Member has qualified and acts in respect of its business on MX2 Options as either an OEF or an Options Market Maker, or both; and

(2) all transactions effected by the Options Member are in compliance with Section 11(a) of the Exchange Act and the rules and regulations adopted thereunder.

(f) Every Options Member shall at all times maintain membership in another registered options exchange that is not registered solely under Section 6(g) of the Securities Exchange Act of 1934, or in FINRA. Options Members that transact business with Public Customers shall at all times be members of FINRA.

(g) Options Principal.

(1) Every Options Member shall have at least one Options Principal who shall have satisfied the requirements of this subparagraph. Persons engaged in the management and supervision of the Options Member's business pertaining to options contracts shall be designated as Options Principals and shall have responsibility for the overall oversight of the Options Member's options related activities on the Exchange.

(2) Each person required by subparagraph (g)(1) to be an Options Principal shall pass the appropriate Registered Options Principal Qualification Examination ("Series 4"), or an equivalent examination acceptable to the Exchange, for the purpose of demonstrating an adequate knowledge of options trading generally, the Rules of the Exchange applicable to trading of option contracts and the rules of registered clearing agencies for options, and be registered as such before engaging in the duties or accepting the responsibilities of an Options Principal.

(3) Each person required to register and qualify as an Options Principal must, prior to or concurrent with such registration, be or become qualified as a General Securities Representative.

(4) Options Principals must comply with Exchange Rule 2.5, Interpretation and Policy .02, which requires completion of certain continuing education requirements.

(5) A person registered solely as an Options Principal shall not be qualified to function in a principal capacity with responsibility over any area of business activity not prescribed in subparagraph (1).

(6) In connection with their registration, Options Principals shall electronically file a Uniform Application for Securities Industry Registration or Transfer ("Form U4") with the Central Registration Depository ("CRD") System, shall successfully complete an examination prescribed by the Exchange for the purpose of demonstrating an adequate knowledge of the options business, and shall further agree in the Form U4 filing to abide by the Rules of the Exchange and the Rules of the Clearing Corporation; provided, however, that Options Principals of Members that are members of another national securities exchange or association that has standards of approval acceptable to the Exchange may be deemed to be approved by and registered with the Exchange, so long as such Options Principals are approved by and registered with such other exchange or association.

(7) Termination of employment or affiliation of any Options Principal in such capacity shall be promptly reported to the CRD System together with a brief statement of the reason for such termination on Uniform Termination Notice for Securities Industry Registration ("Form U-5").

(8) Change in Options Principal

(A) Options Members having a single Options Principal are required promptly to notify the Exchange in the event such person is terminated, resigns, becomes incapacitated or is otherwise unable to perform the duties of an Options Principal.

(B) Following receipt of such notification, the Exchange will require an Options Member to agree, in writing, to refrain from engaging in any options-related activities that would necessitate the prior or subsequent approval of an Options Principal including, among other things, the opening of new options accounts or the execution of discretionary orders for option contracts until such time as a new Options Principal has been qualified.

(C) Options Members failing to qualify a new Options Principal within two weeks following the loss of their sole Options Principal, or by the earliest available date for administration of the Options Principal examination, whichever is longer, shall be required to cease doing an options business; provided, however, that an Options Member may effect closing transactions in options to reduce or eliminate existing open options positions in their own account as well as the accounts of their customers.

Rule 17.3. Persons Associated with Options Members

Persons associated with Options Members shall be bound by the Exchange Rules and the Rules of the Clearing Corporation. The Exchange may discipline, suspend or terminate the registration with the Exchange of any person associated with an Options Member for violation of the Rules of the Exchange or the Rules of the Clearing Corporation.

Rule 17.4. Good Standing for Options Members

(a) To remain in good standing, all Options Members must:

(1) continue to satisfy the qualification requirements specified by the Exchange, as amended from time to time by the Exchange;

(2) comply with the Exchange Rules; and

(3) pay on a timely basis such participation, transaction and other fees as the Exchange and/or MX2 Options shall prescribe.

(b) The good standing of an Options Member may be suspended, terminated or otherwise withdrawn, as provided in Chapter 7 (Suspension by Chief Regulatory Officer), if any of the conditions of Rules 17.2 or 17.3 are not met or the Options Member violates any of its agreements with the Exchange and/or MX2 Options or any of the provisions of the Exchange Rules.

(c) Unless an Options Member is in good standing, the Options Member shall have no rights or privileges of options participation except as otherwise provided by law or Rules, shall not hold himself or itself out for any purpose as an Options Member, and shall not deal with the Exchange and/or MX2 Options on any basis except as a non-Member.

CHAPTER 18. BUSINESS CONDUCT

The rules contained in MEMX Chapter 18, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 18 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 18 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

(Adopted March 13, 2025; amended by SR-MEMX-2026-04, eff. January 30, 2026)

CHAPTER 19. SECURITIES TRADED ON MX2 OPTIONS

The rules contained in MEMX Chapter 19, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 19 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 19 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

(*Adopted March 13, 2025; amended by SR-MEMX-2026-01, eff. January 7, 2026; amended by SR-MEMX-2026-03, eff. January 27, 2026*)

CHAPTER 20. REGULATION OF TRADING ON MX2 OPTIONS

Rule 20.1. Access to and Conduct on the MX2 Options Market

(a) Access to MX2 Options.

Unless otherwise provided in the Rules, no one but an Options Member or a person associated with an Options Member shall effect any MX2 Options Transactions.

(b) MX2 Options Conduct.

Options Members and persons employed by or associated with any Options Member, while using the facilities of MX2 Options, shall not engage in conduct: (1) inconsistent with the maintenance of a fair and orderly market; (2) apt to impair public confidence in the operations of the Exchange; or (3) inconsistent with the ordinary and efficient conduct of business. Activities that shall violate the provisions of this paragraph (b) include, but are not limited to, the following:

(1) failure of an Options Market Maker to provide quotations in accordance with Rule 22.6 (Market Maker Quotations);

(2) failure of an Options Market Maker to bid or offer within the ranges specified by Rule 22.5 (Obligations of Market Makers);

(3) failure of an Options Member to supervise a person employed by or associated with such Member adequately to ensure that person's compliance with this paragraph (b);

(4) failure to maintain adequate procedures and controls that permit the Options Member to effectively monitor and supervise the entry of orders by users to prevent the prohibited practices set forth in this paragraph (b) and Rule 18.2 (Conduct and Compliance with the Rules);

(5) failure to abide by a determination of the Exchange;

(6) effecting transactions that are manipulative as provided in Rule 12.1 (Market Manipulation) or any other rule of the Exchange;

(7) refusal to provide information requested by the Exchange; and

(8) failure to abide by the provisions of Rule 22.11.

(c) Subject to the Rules, the Exchange will provide access to the Trading System to Options Members in good standing that wish to conduct business on MX2 Options.

(d) Pursuant to the Rules and the arrangements referred to in this Chapter 20, the Exchange may:

(1) suspend a User's access to the Trading System following a warning which may be made in writing or verbally (and subsequently confirmed in writing); or

(2) terminate a User's access to the Trading System by notice in writing.

Rule 20.2. Surveillance

Personnel from the Exchange shall monitor and surveil options trading on MX2 Options in order to ensure the maintenance of a fair and orderly market.

Rule 20.3. Trading Halts

(a) Halts.

The Exchange may halt trading in any option contract in the interests of a fair and orderly market. The following are among the factors that shall be considered in determining whether the trading in an option contract should be halted:

(1) trading in the underlying security has been halted or suspended in the primary market;

(2) the opening of such underlying security has been delayed because of unusual circumstances;

(3) occurrence of an act of God or other event outside the Exchange's control;

(4) a Trading System technical failure or failures including, but not limited to, the failure of a part of the central processing system, a number of Options Member trading applications, or the electrical power supply to the system itself or any related system; or

(5) other unusual conditions or circumstances are present.

(b) In the event the Exchange determines to halt trading, all trading in the effected class or classes of options shall be halted and all orders will be cancelled unless a User has entered instructions not to cancel its orders. MX2 Options shall disseminate through its trading facilities and over OPRA a symbol with respect to such class or classes of options indicating that trading has been halted. A record of the time and duration of the halt shall be made available to vendors.

(c) No Options Member or person associated with an Options Member shall effect a trade on MX2 Options in any options class in which trading has been halted under the provisions of this Rule during the time in which the halt remains in effect.

Interpretations and Policies

.01 The Exchange shall nullify any transaction that occurs:

(a) during a trading halt in the affected option on the Exchange; or

(b) with respect to equity options (including options overlying ETFs), during a regulatory halt as declared by the primary listing market for the underlying security.

Rule 20.4. Resumption of Trading After a Halt

Trading in an option that has been the subject of a halt under Rule 20.3 (Trading Halts) shall be resumed as described in Rule 21.7 upon the determination by the Exchange that the conditions which led to the halt are no longer present or that the interests of a fair and orderly market are best served by a resumption of trading.

Rule 20.5. Unusual Market Conditions

(a) MX2 Options staff may determine that the level of trading activities or the existence of unusual market conditions is such that MX2 Options is incapable of collecting, processing, and making available to quotation vendors the data for the option in a manner that accurately reflects the current state of the market on MX2 Options. Upon making such a determination, the Exchange shall designate the market in such option to be "fast," and the Exchange shall halt trading in the class or classes so affected.

(b) The Exchange will monitor the activity or conditions that caused a fast market to be declared, and shall review the condition of such market at least every thirty (30) minutes. Regular trading procedures shall be resumed when the Exchange determines that the conditions supporting a fast market declaration no longer exist.

(c) The Exchange shall halt trading in all options whenever a market wide trading halt is initiated on the New York Stock Exchange (commonly known as a "circuit breaker") in response to extraordinary market conditions.

Rule 20.6. Nullification and Adjustment of Options Transactions including Obvious Errors

The Exchange may nullify a transaction or adjust the execution price of a transaction in accordance with this Rule. However, the determination as to whether a trade was executed at an erroneous price may be made by mutual agreement of the affected parties to a particular transaction. A trade may be nullified or adjusted on the terms that all parties to a particular transaction agree, provided, however, that such agreement to nullify or adjust must be conveyed to the Exchange in a manner prescribed by the Exchange prior to 8:30 a.m. Eastern Time on the first trading day following the execution. It is considered conduct inconsistent with just and equitable principles of trade for any Options Member to use the mutual adjustment process to circumvent any applicable Exchange rule, the Act or any of the rules and regulations thereunder.

(a) *Definitions*.

(1) *Customer*. For purposes of this Rule, a Customer shall not include any broker-dealer or Professional.

(2) *Erroneous Sell/Buy Transaction*. For purposes of this Rule, an "erroneous sell transaction" is one in which the price received by the person selling the option is erroneously low, and an "erroneous buy transaction" is one in which the price paid by the person purchasing the option is erroneously high.

(3) *Official*. For purposes of this Rule, an Official is an Officer of the Exchange or such other employee designee of the Exchange that is trained in the application of this Rule.

(4) *Size Adjustment Modifier*. For purposes of this Rule, the Size Adjustment Modifier will be applied to individual transactions as follows:

Number of Contracts per Execution	**Adjustment – TP Plus/Minus**
1-50	N/A
51-250	2 times adjustment amount
251-1000	2.5 times adjustment amount
1001 or more	3 times adjustment amount

(b) *Theoretical Price*. Upon receipt of a request for review and prior to any review of a transaction execution price, the "Theoretical Price" for the option must be determined. For purposes of this Rule, if the applicable option series is traded on at least one other options exchange, then the Theoretical Price of an option series is the last NBB just prior to the trade in question with respect to an erroneous sell transaction or the last NBO just prior to the trade in question with respect to an erroneous buy transaction unless one of the exceptions in subparagraphs (b)(1) through (3) below exists. For purposes of this provision, when a single order received by the Exchange is executed at multiple price levels, the last NBB and last NBO just prior to the trade in question would be the last NBB and last NBO just prior to the Exchange's receipt of the order. The Exchange will rely on this paragraph (b) and Interpretation and Policy .03 of this Rule when determining Theoretical Price.

(1) *Transactions at the Open*. To the extent any transactions occur through the opening process as described in Rule 21.7, the Exchange will determine the Theoretical Price if there is no NBB or NBO for the affected series just prior to the erroneous transaction or if the bid/ask differential of the NBB and NBO just prior to the erroneous transaction is equal to or greater than the Minimum Amount set forth in the chart contained in sub-paragraph (b)(3) below. If the bid/ask differential is less than the Minimum Amount, the Theoretical Price is the NBB or NBO just prior to the erroneous transaction.

(2) *No Valid Quotes*. The Exchange will determine the Theoretical Price if there are no quotes or no valid quotes for comparison purposes. Quotes that are not valid are:

(A) all quotes in the applicable option series published at a time where the last NBB is higher than the last NBO in such series (a "crossed market");

(B) quotes published by the Exchange that were submitted by either party to the transaction in question;

(C) quotes published by another options exchange if either party to the transaction in question submitted the quotes in the series representing such options exchange's best bid or offer, provided that the Exchange will only consider quotes invalid on other options exchanges in up to twenty-five (25) total options series that the party identifies to the Exchange the quotes which were submitted by such party and published by other options exchanges; and

(D) quotes published by another options exchange against which the Exchange has declared self-help.

(3) *Wide Quotes*.

(A) The Exchange will determine the Theoretical Price if the bid/ask differential of the NBB and NBO for the affected series just prior to the erroneous transaction was equal to or greater than the Minimum Amount set forth below and there was a bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction. If there was no bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction then the Theoretical Price of an option series is the last NBB or NBO just prior to the transaction in question, as set forth in paragraph (b) above.

Bid Price at Time of Trade	**Minimum Amount**
Below $2.00	$0.75
$2.00 to $5.00	$1.25
Above $5.00 to $10.00	$1.50
Above $10.00 to $20.00	$2.50
Above $20.00 to $50.00	$3.00
Above $50.00 to $100.00	$4.50
Above $100.00	$6.00

(B) Customer Transactions Occurring Within 10 Seconds or Less After an Opening or Re-Opening:

(i) The Exchange will determine the Theoretical Price if the bid/ask differential of the NBB and NBO for the affected series just prior to the Customer's erroneous transaction was equal to or greater than the

Minimum Amount set forth in paragraph (A) above and there was a bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction.

(ii) If there was no bid/ask differential less than the Minimum Amount during the 10 seconds prior to the transaction, then the Exchange will determine the Theoretical Price if the bid/ask differential of the NBB and NBO for the affected series just prior to the Customer's erroneous transaction was equal to or greater than the Minimum Amount set forth in paragraph (A) above and there was a bid/ask differential less than the Minimum Amount anytime during the 10 seconds after an opening or re-opening.

(iii) If there was no bid/ask differential less than the Minimum Amount during the 10 seconds following an Opening or Re-Opening, then the Theoretical Price of an option series is the last NBB or NBO just prior to the Customer transaction in question, as set forth in paragraph (b) above.

(iv) Customer transactions occurring more than 10 seconds after an opening or re-opening are subject to paragraph (A) above.

(c) Obvious Errors.

(1) *Definition*. For purposes of this Rule, an Obvious Error will be deemed to have occurred when the Exchange receives a properly submitted filing where the execution price of a transaction is higher or lower than the Theoretical Price for the series by an amount equal to at least the amount shown below:

Theoretical Price	**Minimum Amount**
Below $2.00	$0.25
$2.00 to $5.00	$0.40
Above $5.00 to $10.00	$0.50
Above $10.00 to $20.00	$0.80
Above $20.00 to $50.00	$1.00
Above $50.00 to $100.00	$1.50
Above $100.00	$2.00

(2) *Time Deadline*. A party that believes that it participated in a transaction that was the result of an Obvious Error must notify the Exchange's Trade Desk in the manner specified from time to time by the Exchange in a circular distributed to Options Members. Such notification must be received by the Exchange's Trade Desk within the timeframes specified below:

(A) *Customer Orders*. For an execution of a Customer order, a filing must be received by the Exchange within thirty (30) minutes of the execution, subject to sub-paragraph (C) below; and

(B) *"Non-Customer" Orders*. For an execution of any order other than a Customer order, a filing must be received by the Exchange within fifteen (15) minutes of the execution, subject to sub-paragraph (C) below.

(C) *Linkage Trades*. Any other options exchange will have a total of forty-five (45) minutes for Customer orders and thirty (30) minutes for non-Customer orders, measured from the time of execution on the Exchange, to file with the Exchange for review of transactions routed to the Exchange from that options exchange and executed on the Exchange ("linkage trades"). This includes filings on behalf of another options exchange filed by a third-party routing broker if such third-party broker identifies the affected transactions as linkage trades. In order to facilitate timely reviews of linkage trades the Exchange will accept filings from either the other options exchange or, if applicable, the third-party routing broker that routed the applicable order(s). The additional fifteen (15) minutes provided with respect to linkage trades shall only apply to the extent the options exchange that originally received and routed the order to the Exchange itself received a timely filing from the entering participant (i.e., within 30 minutes if a Customer order or 15 minutes if a non-Customer order).

(3) *Official Acting on Own Motion*. An Official may review a transaction believed to be erroneous on his/her own motion in the interest of maintaining a fair and orderly market and for the protection of investors. A transaction reviewed pursuant to this paragraph may be nullified or adjusted only if it is determined by the Official that the transaction is erroneous in accordance with the provisions of this Rule, provided that the time deadlines of sub-paragraph (c)(2) above shall not apply. The Official shall act as soon as possible after becoming aware of the transaction, and ordinarily would be expected to act on the same day that the transaction occurred. In no event shall the Official act later than 8:30 a.m. Eastern Time on the next trading day following the date of the transaction in question. A party affected by a determination to nullify or adjust a transaction pursuant to this provision may appeal such determination in accordance with paragraph (l) below; however, a determination by an Official not to review a transaction or determination not to nullify or adjust a transaction for which a review was conducted on an Official's own motion is not appealable. If a transaction is reviewed and a determination is rendered pursuant to another provision of this Rule, no additional relief may be granted under this provision.

(4) *Adjust or Bust*. If it is determined that an Obvious Error has occurred, the Exchange shall take one of the actions listed below. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone.

(A) *Non-Customer Transactions*. Where neither party to the transaction is a Customer, the execution price of the transaction will be adjusted by the Official pursuant to the table below. Any non-Customer Obvious Error exceeding 50 contracts will be subject to the Size Adjustment Modifier defined in sub-paragraph (a)(4) above.

Theoretical Price (TP)	**Buy Transaction Adjustment – TP Plus**	**Sell Transaction Adjustment – TP Minus**
Below $3.00	$0.15	$0.15
At or above $3.00	$0.30	$0.30

(B) *Customer Transactions*. Where at least one party to the Obvious Error is a Customer, the execution price of the transaction will be adjusted by the Official pursuant to the table immediately above. Any Customer Obvious Error exceeding 50 contracts will be subject to the Size Adjustment Modifier defined in subparagraph (a)(4) above. However, if such adjustment(s) would result in an execution price higher (for buy transactions) or lower (for sell transactions) than the Customer's limit price, the trade will be nullified, subject to sub-paragraph (C) below.

(C) If any Options Member submits requests to the Exchange for review of transactions pursuant to this rule, and in aggregate that Options Member has 200 or more Customer transactions under review concurrently and the orders resulting in such transactions were submitted during the course of 2 minutes or less, where at least one party to the Obvious Error is a non-Customer, the Exchange will apply the non-Customer adjustment criteria set forth in sub-paragraph (A) above to such transactions.

(d) *Catastrophic Errors.*

(1) *Definition*. For purposes of this Rule, a Catastrophic Error will be deemed to have occurred when the execution price of a transaction is higher or lower than the Theoretical Price for the series by an amount equal to at least the amount shown below:

Theoretical Price	**Minimum Amount**
Below $2.00	$0.50
$2.00 to $5.00	$1.00
Above $5.00 to $10.00	$1.50
Above $10.00 to $20.00	$2.00
Above $20.00 to $50.00	$2.50
Above $50.00 to $100.00	$3.00
Above $100.00	$4.00

(2) *Time Deadline*. A party that believes that it participated in a transaction that was the result of a Catastrophic Error must notify the Exchange's Trade Desk in the manner specified from time to time by the Exchange in a circular distributed to Options Members. Such notification must be received by the Exchange's Trade Desk by 8:30 a.m. Eastern Time on the first trading day following the execution. For transactions in an expiring options series that take place on an expiration day, a party must notify the Exchange's Trade Desk within 45 minutes after the close of trading that same day.

(3) *Adjust or Bust*. If it is determined that a Catastrophic Error has occurred, the Exchange shall take action as set forth below. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone. In the event of a Catastrophic Error, the execution price of the transaction will be adjusted by the Official pursuant to the table below. Any Customer order subject to this sub-paragraph will be nullified if the adjustment would result in an execution price higher (for buy transactions) or lower (for sell transactions) than the Customer's limit price.

Theoretical Price (TP)	**Buy Transaction Adjustment – TP Plus**	**Sell Transaction Adjustment – TP Minus**
Below $2.00	$0.50	$0.50
$2.00 to $5.00	$1.00	$1.00
Above $5.00 to $10.00	$1.50	$1.50
Above $10.00 to $20.00	$2.00	$2.00
Above $20.00 to $50.00	$2.50	$2.50
Above $50.00 to $100.00	$3.00	$3.00
Above $100.00	$4.00	$4.00

(e) *Significant Market Events*.

(1) *Definition*. For purposes of this Rule, a Significant Market Event will be deemed to have occurred when: criterion (A) below is met or exceeded or the sum of all applicable event statistics, where each is expressed as a percentage of the relevant threshold in criteria (A) through (D) below, is greater than or equal to 150% and 75% or more of at least one category is reached, provided that no single category can contribute more than 100% to the sum and any category contributing more than 100% will be rounded down to 100%. All criteria set forth below will be measured in aggregate across all exchanges.

(A) Transactions that are potentially erroneous would result in a total Worst-Case Adjustment Penalty of $30,000,000, where the Worst-Case Adjustment Penalty is computed as the sum, across all potentially erroneous trades, of:

(i) $0.30 (i.e., the largest Transaction Adjustment value listed in sub-paragraph (e)(3)(A) below); times

(ii) the contract multiplier for each traded contract; times

(iii) the number of contracts for each trade; times

(iv) the appropriate Size Adjustment Modifier for each trade, if any, as defined in sub-paragraph (e)(3)(A) below.

(B) Transactions involving 500,000 options contracts are potentially erroneous;

(C) Transactions with a notional value (i.e., number of contracts traded multiplied by the option premium multiplied by the contract multiplier) of $100,000,000 are potentially erroneous;

(D) 10,000 transactions are potentially erroneous.

(2) *Coordination with Other Options Exchanges*. To ensure consistent application across options exchanges, in the event of a suspected Significant Market Event, the Exchange shall initiate a coordinated review of potentially erroneous transactions with all other affected options exchanges to determine the full scope of the event. When this paragraph is invoked, the Exchange will promptly coordinate with the other options exchanges to determine the appropriate review period as well as select one or more specific points in time prior to the transactions in question and use one or more specific points in time to determine Theoretical Price. Other than the selected points in time, if applicable, the Exchange will determine Theoretical Price in accordance with paragraph (b) above.

(3) *Adjust or Bust*. If it is determined that a Significant Market Event has occurred then, using the parameters agreed as set forth in sub-paragraph (e)(2) above, if applicable, an Official will determine whether any or all transactions under review qualify as Obvious Errors. The Exchange shall take one of the actions listed below with respect to all transactions that qualify as Obvious Errors pursuant to sub-paragraph (c)(1) above. Upon taking final action, the Exchange shall promptly notify both parties to the trade electronically or via telephone.

(A) The execution price of each affected transaction will be adjusted by an Official to the price provided below unless both parties agree to adjust the transaction to a different price or agree to bust the trade. In the context of a Significant Market Event, any error exceeding 50 contracts will be subject to the Size Adjustment Modifier defined in sub-paragraph (a)(4) above.

Theoretical Price (TP)	**Buy Transaction Adjustment – TP Plus**	**Sell Transaction Adjustment – TP Minus**
Below $3.00	$0.15	$0.15

At or above $3.00	$0.30	$0.30

(B) Where at least one party to the transaction is a Customer, the trade will be nullified if the adjustment would result in an execution price higher (for buy transactions) or lower (for sell transactions) than the Customer's limit price.

(4) *Nullification of Transactions*. If the Exchange, in consultation with other options exchanges, determines that timely adjustment is not feasible due to the extraordinary nature of the situation, then the Exchange will nullify some or all transactions arising out of the Significant Market Event during the review period selected by the Exchange and other options exchanges consistent with this paragraph. To the extent the Exchange, in consultation with other options exchanges, determines to nullify less than all transactions arising out of the Significant Market Event, those transactions subject to nullification will be selected based upon objective criteria with a view toward maintaining a fair and orderly market and the protection of investors and the public interest.

(5) *Final Rulings*. With respect to rulings made pursuant to this paragraph, the number of affected transactions is such that immediate finality is necessary to maintain a fair and orderly market and to protect investors and the public interest. Accordingly, rulings by the Exchange pursuant to this paragraph are non-appealable.

(f) *Trading Halts*. The Exchange shall nullify any transaction that occurs during a trading halt in the affected option on the Exchange pursuant to Rule 20.3.

(g) *Erroneous Print in Underlying*. A trade resulting from an erroneous print(s) disseminated by the underlying market that is later nullified by that underlying market shall be adjusted or busted as set forth in sub-paragraph (c)(4) of this Rule, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. For purposes of this paragraph, a trade resulting from an erroneous print(s) shall mean any options trade executed during a period of time for which one or more executions in the underlying security are nullified and for one second thereafter. If a party believes that it participated in an erroneous transaction resulting from an erroneous print(s) pursuant to this paragraph it must notify the Exchange's Trade Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification by the underlying market(s) of nullification of transactions in the underlying security. If multiple underlying markets nullify trades in the underlying security, the allowed notification timeframe will commence at the time of the first market's notification. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Options Members via an Exchange Notice. To qualify for consideration as an "underlying," the Fund Shares, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index.

(h) *Erroneous Quote in Underlying*. A trade resulting from an erroneous quote(s) in the underlying security shall be adjusted or busted as set forth in sub-paragraph (c)(4) this Rule, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. An erroneous quote occurs when the underlying security has a width of at least $1.00 and has a width at least five times greater than the average quote width for such underlying security during the time period encompassing two minutes before and after the dissemination of such quote. For purposes of this paragraph, the average quote width shall be determined by adding the quote widths of sample quotations at regular 15-second intervals during the four-minute time period referenced above (excluding the quote(s) in question) and dividing by the number of quotes during such time period (excluding the quote(s) in question). If a party believes that it participated in an erroneous transaction resulting from an erroneous quote(s) pursuant to this paragraph it must notify the Exchange's Trade Desk in accordance with sub-paragraph (c)(2) above. For the purposes of this paragraph, the underlying (which includes, but is not limited to, the underlying or related Fund Share(s), HOLDRS(s) and/or index value(s), and/or related futures product(s)) and the relevant underlying market(s) will be designated by the Exchange and announced to Options Members via an Exchange Notice. To qualify for consideration as an "underlying," the Fund Shares, HOLDRS or index option class and related instrument must be derived from or designed to track the same underlying index.

(i) *Stop (and Stop-Limit) Order Trades Triggered by Erroneous Trades*. Transactions resulting from the triggering of a stop or stop-limit order by an erroneous trade in an option contract shall be nullified by the Exchange, provided a party notifies the Exchange's Trade Desk in a timely manner as set forth below. If a party believes that it participated in an erroneous transaction pursuant to this paragraph it must notify the Exchange's Trade Desk within the timeframes set forth in sub-paragraph (c)(2) above, with the allowed notification timeframe commencing at the time of notification of the nullification of transaction(s) that triggered the stop or stop-limit order.

(j) *Linkage Trades*. If the Exchange routes an order pursuant to the Plan (as defined in Rule 27.1(a)(18)) that results in a transaction on another options exchange (a "Linkage Trade") and such options exchange subsequently nullifies or adjusts the Linkage Trade pursuant to its rules, the Exchange will perform all actions necessary to complete the nullification or adjustment of the Linkage Trade.

(k) *Verifiable Disruptions or Malfunctions of Exchange Systems*.

(1) Transactions arising out of a "verifiable disruption or malfunction" in the use or operation of any Exchange automated quotation, dissemination, execution, or communication system may either be nullified or adjusted by an Official. Transactions that qualify for price adjustment will be adjusted to Theoretical Price, as defined in paragraph (b) above.

(2) Absent extraordinary circumstances, any such action of an Official pursuant to this paragraph (k) shall be initiated within sixty (60) minutes of the occurrence of the erroneous transaction that resulted from a verifiable disruption or

malfunction. Each Options Member involved in the transaction shall be notified as soon as practicable.

(3) Any Options Member aggrieved by the action of an Official taken pursuant to paragraph (k)(1) above, may appeal such action in accordance with the provision of paragraph (l) below.

(l) Appeals.

If an Options Member affected by a determination made under this Rule so requests within the time permitted below, the Obvious Error Panel ("Obvious Error Panel") will review decisions made by the MX2 Official under this Rule, including whether an obvious error occurred and whether the correct determination was made.

(1) The Obvious Error Panel will be comprised of the Exchange's Chief Regulatory Officer ("CRO") or a designee of the CRO, a representative of one (1) Options Member engaged in market making (any such representative, a "MM Representative") and representatives from two (2) Options Members satisfying one or both of the criteria set forth as (A) and (B) below (any such representative, a "Non-MM Representative"). To qualify as a representative of an Options Member other than an Options Member engaged in market making, a person must:

(A) be employed by an Options Member whose revenues from options market making activity do not exceed ten percent (10%) of its total revenues; or

(B) have as his or her primary responsibility the handling of Public Customer orders or supervisory responsibility over persons with such responsibility, and not have any responsibilities with respect to market making activities.

(2) In no case shall an Obvious Error Panel include a person affiliated with a party to the trade in question. To the extent reasonably possible, the Exchange shall call upon the designated representatives to participate on an Obvious Error Panel on an equally frequent basis.

(3) A request for review on appeal must be made in writing via e-mail or other electronic means specified from time to time by the Exchange in a circular distributed to Options Members within thirty (30) minutes after the party making the appeal is given notification of the initial determination being appealed. The Obvious Error Panel shall review the facts and render a decision as soon as practicable, but generally on the same trading day as the execution(s) under review. On requests for appeal received after 3:00 p.m. Eastern Time, a decision will be rendered as soon as practicable, but in no case later than the trading day following the date of the execution under review.

(4) The Obvious Error Panel may overturn or modify an action taken by the MX2 Official under this Rule. All determinations by the Obvious Error Panel shall constitute final action by the Exchange on the matter at issue.

(5) If the Obvious Error Panel votes to uphold the decision made pursuant to paragraph (1)(1) above, the Exchange will assess a $500.00 fee against the Options Member(s) who initiated the request for appeal. In addition, in instances where the Exchange, on behalf of an Options Member, requests a determination by another market center that a transaction is clearly erroneous, the Exchange will pass any resulting charges through to the relevant Options Member.

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

Interpretations and Policies

.01 Limit Up-Limit Down State. An execution will not be subject to review as an Obvious Error or Catastrophic Error pursuant to paragraph (c) or (d) of this Rule if it occurred while the underlying security was in a "Limit State" or "Straddle State," as defined in the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act. Nothing in this provision shall prevent such execution from being reviewed on an Official's own motion pursuant to sub-paragraph (c)(3) of this Rule, or a bust or adjust pursuant to paragraphs (e) through (k) of this Rule.

.02 For the purposes of this Rule, to the extent the provisions of this Rule would result in the Exchange applying an adjustment of an erroneous sell transaction to a price lower than the execution price or an erroneous buy transaction to a price higher than the execution price, the Exchange will not adjust or nullify the transaction, but rather, the execution price will stand.

.03 Exchange Determining Theoretical Price. For purposes of this Rule, when the Exchange must determine Theoretical Price pursuant to sub-paragraphs (b)(1)-(3) of this Rule (i.e., at the open, when there are no valid quotes or when there is a wide quote), then the Exchange will determine Theoretical Price as follows.

(a) The Exchange will request Theoretical Price from the third party vendor defined in paragraph (d) below ("TP Provider") to which the Exchange and all other options exchanges have subscribed. The Exchange will apply the Theoretical Price provided by the TP Provider, except as otherwise described below.

(b) To the extent an Official of the Exchange believes that the Theoretical Price provided by the TP Provider is fundamentally incorrect and cannot be used consistent with the maintenance of a fair and orderly market, the Official shall contact the TP Provider to notify the TP Provider of the reason the Official believes such Theoretical Price is inaccurate and to request a review and correction of the calculated Theoretical Price. The Exchange shall also promptly

provide electronic notice to other options exchanges that the TP Provider has been contacted consistent with this paragraph and include a brief explanation of the reason for the request.

(c) An Official of the Exchange may determine the Theoretical Price if the TP Provider has experienced a systems issue that has rendered its services unavailable to accurately calculate Theoretical Price and such issue cannot be corrected in a timely manner.

(d) The current TP Provider to which the Exchange and all other options exchanges have subscribed is: Cboe Livevol, LLC. Neither the Exchange, the TP Provider, nor any affiliate of the TP Provider (the TP Provider and its affiliates are referred to collectively as the "TP Provider"), makes any warranty, express or implied, as to the results to be obtained by any person or entity from the use of the TP Provider pursuant to this Interpretation .03. The TP Provider does not guarantee the accuracy or completeness of the calculated Theoretical Price. The TP Provider disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to such Theoretical Price. Neither the Exchange nor the TP Provider shall have any liability for any damages, claims, losses (including any indirect or consequential losses), expenses, or delays, whether direct or indirect, foreseen or unforeseen, suffered by any person arising out of any circumstance or occurrence relating to the use of such Theoretical Price or arising out of any errors or delays in calculating such Theoretical Price.

(*Amended by SR-MX2-2026-04, eff. August 24, 2026*)

Rule 20.7. Audit Trail

(a) Order Identification

When entering orders on MX2 Options, each Options Member shall submit order information in such form as may be prescribed by the Exchange in order to allow MX2 Options to properly prioritize and match orders and report resulting transactions to the Clearing Corporation.

(b) An Options Member must ensure that each options order received from a Customer for execution on MX2 Options is recorded and time-stamped immediately. The order record must be time-stamped again on execution and also at the time of any modification or cancellation of the order by the Customer. Order records relating to MX2 Options must contain the following information at a minimum:

(1) a unique order identification;

(2) the underlying security;

(3) opening/closing designation;

(4) the identity of the Clearing Member;

(5) Options Member identification;

(6) User Capacity;

(7) identity of the individual/terminal completing the order ticket;

(8) customer identification;

(9) account identification;

(10) buy/sell;

(11) contract volume;

(12) contract month;

(13) exercise price;

(14) put/call;

(15) price or price limit, price range or strategy price;

(16) special instructions; and

(17) such other information as may be required by MX2 Options.

(c) An Options Member that employs an electronic system for order routing or order management which complies with MX2 Options requirements will be deemed to be complying with the requirements of this Rule if the required information is recorded in electronic form rather than in written form.

(d) In addition to any related requirement under applicable securities laws, information recorded pursuant to this Rule must be retained by Options Members for a period of no less than three (3) years after the date of the transaction.

Rule 20.8. Failure to Pay Premium

(a) When the Clearing Corporation shall reject a MX2 Options Transaction because of the failure of the Clearing Member acting on behalf of the purchaser to pay the aggregate premiums due thereon as required by the Rules of the Clearing Corporation, the Options Member acting as or on behalf of the writer shall have the right either to cancel the transaction by giving notice thereof to the Clearing Member or to enter into a closing writing transaction in respect of the same options contract that was the subject of the rejected MX2 Options Transaction for the account of the defaulting Clearing Member.

(b) Such action shall be taken as soon as possible, and in any event not later than 10:00 A.M. Eastern Time on the business day following the day the MX2 Options Transaction was rejected by the Clearing Corporation.

Rule 20.9. Prohibition on Transactions Off the Exchange

(a) No rule, stated policy, or practice of the Exchange may prohibit or condition, or be construed to prohibit or condition, or otherwise limit, directly or indirectly, the ability of any Options Member acting as agent to effect any transaction otherwise than on the Exchange with another person (except when such Options Member also is acting as agent for such other person in such transaction) in any equity security listed on the Exchange or to which unlisted trading privileges on the Exchange have been extended.

(b) No rule, stated policy, or practice of the Exchange may prohibit or condition, or be construed to prohibit, condition, or otherwise limit, directly or indirectly, the ability of any Options Member to effect any transaction otherwise than on the Exchange in any reported security listed and registered on the Exchange or as to which unlisted trading privileges on the Exchange have been extended (other than a put option or call option issued by the Clearing Corporation) which is not a covered security.

Rule 20.10. Transfers of Positions

(a) Permissible Transfers. Notwithstanding the prohibition set forth in Rule 20.9, existing positions in options listed on the Exchange of an Options Member or of a non-Member that are to be transferred on, from, or to the books of a Clearing Member may be transferred off the Exchange if the transfer involves one or more of the following events:

(1) an adjustment or transfer in connection with the correction of a bona fide error in the recording of a transaction or the transferring of a position to another account, provided that the original trade documentation confirms the error;

(2) the transfer of positions from one account to another account where no change in ownership is involved (i.e., accounts of the same person (as defined in Rule 1.5)), provided the accounts are not in separate aggregation units or otherwise subject to information barrier or account segregation requirements;

(3) the consolidation of accounts where no change in ownership is involved;

(4) a merger, acquisition, consolidation, or similar non-recurring transaction for a person;

(5) the dissolution of a joint account in which the remaining Options Member assumes the positions of the joint account;

(6) the dissolution of a corporation or partnership in which a former nominee of the corporation or partnership assumes the positions;

(7) positions transferred as part of an Options Member's capital contribution to a new joint account, partnership, or corporation;

(8) the donation of positions to a not-for-profit corporation;

(9) the transfer of positions to a minor under the Uniform Gifts to Minors Act; or

the transfer of positions through operation of law from death, bankruptcy, or otherwise.

(b) Netting. Unless otherwise permitted by paragraph (f), when effecting a transfer pursuant to paragraph (a), no position may net against another position ("netting"), and no position transfer may result in preferential margin or haircut treatment.

(c) Transfer Price. The transfer price, to the extent it is consistent with applicable laws, rules, and regulations, including rules of other self-regulatory organizations, and tax and accounting rules and regulations, at which a transfer is effected may be:

(1) the original trade prices of the positions that appear on the books of the transferring Clearing Member, in which case the records of the transfer must indicate the original trade dates for the positions; provided, transfers to correct errors under subparagraph (a)(1) must be transferred at the correct original trade prices;

(2) mark-to-market prices of the positions at the close of trading on the transfer date;

(3) mark-to-market prices of the positions at the close of trading on the trade date prior to the transfer date; or

(4) the then-current market price of the positions at the time the transfer is effected.

(d) Prior Written Notice. An Options Member(s) and its Clearing Member(s) (to the extent that the Options Member is not self-clearing) must submit to the Exchange, in a manner determined by the Exchange, written notice prior to effecting a transfer from or to the account(s) of an Options Member(s), except that notification is not required for transfers effected pursuant to subparagraph (a)(1) or (a)(2) of this Rule.

(1) The notice must indicate (A) the Exchange-listed options positions to be transferred, (B) the nature of the transaction, (C) the enumerated provision(s) under paragraph (a) pursuant to which the positions are being transferred, (D) the name of the counterparty(ies), (E) the anticipated transfer date, (F) the method for determining the transfer price under paragraph (c) above, and (G) any other information requested by the Exchange.

(2) Receipt of notice of a transfer does not constitute a determination by the Exchange that the transfer was effected or reported in conformity with the requirements of this Rule. Notwithstanding submission of written notice to Exchange, Options Members and Clearing Members that effect transfers that do not conform to the requirements of this Rule will be subject to appropriate disciplinary action in accordance with the Rules.

(e) Records. Each Options Member and each Clearing Member that is a party to a transfer must make and retain records of the information provided in the notice to the Exchange pursuant to subparagraph (d)(1), as well as information on (1) the actual Exchange-listed options transferred; (2) the actual transfer date; and (3) the actual transfer price (and the original trade dates, if applicable). The Exchange may also request the Options Member or Clearing Member to provide other information.

(f) Presidential Exemptions. In addition to the exemptions set forth in paragraph (a) of this Rule, the Exchange President (or senior-level designee) may grant an exemption from the requirement of Rule 20.9, on his or her own motion or upon application of the Options Member (with respect to the Options Member's positions) or a Clearing Member (with respect to positions carried and cleared by the Clearing Member), when, in the judgment of the President or his or her designee, allowing the transfer is necessary or appropriate for the maintenance of a fair and orderly market and the protection of investors and is in the public interest, including due to unusual or extraordinary circumstances, such as the possibility that the market value of the person's positions will be compromised by having to comply with the requirement to trade on the Exchange pursuant to the normal auction process or when, in the judgment of the president or his or her designee, market conditions make trading on the Exchange impractical.

(g) Routine, Recurring Transfers. The transfer procedure set forth in this Rule is intended to facilitate non-routine, non-recurring movements of positions and is not to be used repeatedly or routinely, except for transfers between accounts of the same person pursuant to subparagraph (a)(2). The transfer procedure may not be used in circumvention of the normal auction process.

(h) Exchange-Listed Options. The transfer procedure set forth in this Rule is only applicable to positions in options listed on the Exchange. Transfers of positions in Exchange-listed options may also be subject to applicable laws, rules, and regulations, including rules of other self-regulatory organizations. Transfers of non-Exchange listed options and other financial instruments are not governed by this Rule.

Rule 20.11. Off-Exchange RWA Transfers

Notwithstanding Rule 20.9, existing positions in options listed on the Exchange of an Options Member or non-Member (including an affiliate of an Options Member) may be transferred on, from, or to the books of a Clearing Member off the Exchange if the transfer establishes a net

reduction of risk-weighted assets attributable to those the Options Member or non-Member's options positions (an "RWA Transfer").

(a) RWA Transfers include, but are not limited to: (1) a transfer of options positions from Clearing Corporation member A to Clearing Corporation member B that net (offset) with positions held at Clearing Corporation member B, and thus closes all or part of those positions, and (2) a transfer of positions from a bank-affiliated Clearing Corporation member to a non-bank-affiliated Clearing Corporation member.

(b) RWA Transfers may occur on a routine, recurring basis.

(c) RWA Transfers may result in the netting of positions.

(d) No RWA Transfer may result in preferential margin or haircut treatment.

(e) No RWA Transfer may result in a change in ownership (i.e., an RWA transfer must occur between accounts of the same person (as defined in Rule 1.5)).

(f) No prior written notice to the Exchange is required for RWA Transfers.

(g) Off-Exchange transfers of positions in Exchange-listed options may be subject to applicable laws, rules, and regulations, including rules of other self-regulatory organizations. Transfers of non-Exchange listed options and other financial instruments are not governed by this Rule.

Rule 20.12. In-Kind Exchange of Options Positions and Fund Shares and UIT Interests

Notwithstanding Rule 20.9, positions in options listed on the Exchange may be transferred off the Exchange by an Options Member in connection with transactions (a) to purchase or redeem creation units of Fund Shares between an authorized participant and the issuer of such Fund Shares or (b) to create or redeem units of a unit investment trust ("UIT") between a broker-dealer and the issuer of such UIT units, which transfers would occur at the price(s) used to calculate the net asset value of such Fund Shares or UIT units, respectively. For purposes of this Rule:

(a) an "authorized participant" is an entity that has a written agreement with the issuer of Fund Shares or one of its service providers, which allows the authorized participant to place orders for the purchase and redemption of creation units (i.e., specified numbers of Fund Shares);

(b) an "issuer of Fund Shares" is an entity registered with the Commission as an open-end management investment company under the Investment Company Act of 1940; and

(c) an "issuer of UIT units" is a trust registered with the Commission as a unit investment trust under the Investment Company Act of 1940.

CHAPTER 21. TRADING SYSTEMS

Rule 21.1. Definitions

The following definitions apply to Chapter 21 for the trading of options listed on MX2 Options.

(a) The term "System" shall mean the automated system for order execution and trade reporting owned and operated by the Exchange. The System comprises:

(1) an order execution service that enables Users to automatically execute transactions in System Securities; and provides Users with sufficient monitoring and updating capability to participate in an automated execution environment;

(2) a trade reporting service that submits "locked-in" trades for clearing to a registered clearing agency for clearance and settlement; transmits last-sale reports of transactions automatically to the Options Price Reporting Authority for dissemination to the public and industry, and provides participants with monitoring and risk management capabilities to facilitate participation in a "locked-in" trading environment; and

(3) a data feed(s) that can be used to display without attribution to Users' orders on both the bid and offer side of the market for price levels then within MX2 Options using the minimum price variation applicable to that security.

(b) The term "System Securities" shall mean all options that are currently trading on MX2 Options pursuant to Chapter 19 above.

(c) The term "Order" shall mean a single order (including a bulk message) submitted to the System by a User designated for display (price and size) on an anonymous basis by the Exchange.

(d) The term "Order Type" shall mean the unique processing prescribed for designated orders, subject to the restrictions set forth in paragraph (l) below with respect to bulk messages, that are eligible for entry into the System. An Order Type applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Order Types are available on a class or system basis.

(1) "Limit Orders" are orders (including bulk messages) to buy or sell an option at a specified price or better. A Limit Order is marketable when, for a Limit Order to buy, at the time it is entered into the System, the order is priced at the current inside offer or higher, or for a Limit Order to sell, at the time it is entered into the System, the order is priced at the current inside bid or lower.

(2) "Market Orders" are orders to buy or sell at the best price available at the time of execution. Market Orders to buy or sell an option traded on MX2 Options will be rejected if they are received when the underlying security is subject to a "Limit State" or

"Straddle State" as defined in the Plan to Address Extraordinary Market Volatility Pursuant to Rule 608 of Regulation NMS under the Act (the "Limit Up-Limit Down Plan"). Bulk messages may not be Market Orders.

(e) The term "Handling Instruction" shall mean an additional instruction a User designates on an order, subject to the restrictions set forth in paragraph (l) below with respect to bulk messages. A Handling Instruction applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Handling Instructions are available on a class or system basis.

(1) "Book Only" is an instruction that an order is to be ranked and executed on the Exchange pursuant to Rule 21.8 (Order Display and Book Processing) or cancelled, as appropriate, without routing away to another options exchange. Users may designate bulk messages as Book Only as set forth in paragraph (l) below.

(2) "Post Only" is an instruction that an order is to be ranked and executed on the Exchange pursuant to Rule 21.8 (Order Display and Book Processing) or cancelled, as appropriate, without routing away to another options exchange except that the order will not remove liquidity from the MX2 Options Book. The System cancels or rejects a bid (offer) designated as Post Only with a price that locks or crosses the Exchange's best offer (bid). A Market Order cannot be designated as Post Only. Users may designate bulk messages as Post Only as set forth in paragraph (l) below.

(3) "Intermarket Sweep Orders" or "ISO" are orders that shall have the meaning provided in Rule 27.1 (Definitions). Such orders may be executed at one or multiple price levels in the System without regard to Protected Quotations at other options exchanges (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 Options Member's responsibility, not the Exchange's responsibility, to comply with the requirements relating to ISOs. ISOs are not eligible for routing pursuant to Rule 21.9 (Order Routing). A Market Order cannot be designated as an Intermarket Sweep Order. Users may not designate bulk messages as ISOs.

(4) "Reserve Orders" are limit orders that have both a portion of the quantity displayed ("Display Quantity") and a reserve portion of the quantity ("Reserve Quantity") not displayed. Both the Display Quantity and Reserve Quantity of the Reserve Order are available for potential execution against incoming orders. If the Display Quantity of a Reserve Order is fully executed, the System will, in accordance with the User's instruction, replenish the Display 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 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. Users may not designate bulk messages as Reserve Orders.

(A) Random Replenishment. An instruction that a User may attach to 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 nondisplayed 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 Display Quantity of the order to the Max Floor designated by the User.

(f) The term "Order Size" shall mean the number of contracts up to 999,999 associated with the Order.

(g) The term "Time in Force" shall mean the period of time that the System will hold an order, subject to the restrictions set forth in paragraph (l) below with respect to bulk messages, for potential execution. A Time-in-Force applied to a bulk message applies to each bid and offer within that bulk message. Unless otherwise specified in the Rules or the context indicates otherwise, the Exchange determines which of the following Times-in-Force are available on a class or system basis.

(1) "Immediate Or Cancel" or "IOC" shall mean, for an order so designated, an order that is to be executed in whole or in part as soon as such order is received. The portion not so executed immediately on the Exchange or another options exchange is cancelled and is not posted to the MX2 Options Book. IOC orders that are not designated as Book Only and that cannot be executed in accordance with Rule 21.8 on the System

when reaching the Exchange will be eligible for routing away pursuant to Rule 21.9. Users may designate bulk messages as IOC.

(2) "Day" shall mean, for an order so designated, an order to buy or sell which, if not executed expires at market close. Users may designate bulk messages as Day.

(h) The term "Match Trade Prevention ("MTP") modifier" shall mean a modifier appended to an order that restricts interactions with contra-side orders as set forth below. Any incoming order designated with an MTP modifier will be prevented from executing against a resting opposite side order also designated with an MTP modifier and originating from the same executing firm ID ("EFID"), Exchange Member identifier, trading group identifier, or Exchange Sponsored Participant identifier (any such identifier, a "Unique Identifier"). The MTP modifier on the incoming order controls the interaction between two orders marked with MTP modifiers. Subject to the restrictions set forth in paragraph (l) below with respect to bulk messages, orders may contain the following MTP modifiers:

(1) MTP Cancel Newest ("MCN"). An incoming order marked with the "MCN" modifier will not execute against opposite side resting interest marked with any MTP modifier originating from the same Unique Identifier. The incoming order marked with the MCN modifier will be cancelled back to the originating User(s). The resting order marked with an MTP modifier will remain on the MX2 Options Book. Users may designate bulk messages as MCN, as set forth in paragraph (l) below.

(2) MTP Cancel Oldest ("MCO"). An incoming order marked with the "MCO" modifier will not execute against opposite side resting interest marked with any MTP modifier originating from the same Unique Identifier. The resting order marked with the MTP modifier will be cancelled back to the originating User(s). The incoming order marked with the MCO modifier will remain on the MX2 Options Book. Users may designate bulk messages as MCO, as set forth in paragraph (l) below.

(3) MTP Cancel Both ("MCB"). An incoming order marked with the "MCB" modifier will not execute against opposite side resting interest marked with any MTP modifier originating from the same Unique Identifier. The entire size of both orders will be cancelled back to the originating User(s). Users may designate bulk messages as MCB, as set forth in paragraph (l) below.

(i) The term "Price Adjust" shall mean the re-pricing mechanism through which the System re-prices orders to comply with the order protection and trade through restrictions of the Options Order Protection and Locked/Crossed Market Plan, as further described below.

(1) An order that, at the time of entry, would lock or cross a Protected Quotation of another options exchange or the Exchange will be ranked and displayed by the System at one minimum price variation below the current NBO (for bids) or to one minimum price variation above the current NBB (for offers) ("Price Adjust").

(2) In the event the NBBO changes such that an order subject to Price Adjust would not lock or cross a Protected Quotation, the order will receive a new timestamp, and will be displayed at the price that originally locked the NBO (for bids) or NBB (for offers) on entry. All orders that are re-ranked and re-displayed pursuant to Price Adjust will retain their priority as compared to other orders subject to Price Adjust based upon the time such orders were initially received by the Exchange. Following the initial ranking and display of an order subject to Price Adjust, an order will only be re-ranked and re-displayed to the extent it achieves a more aggressive price.

(3) The ranked and displayed price of an order subject to Price Adjust may be adjusted once or multiple times depending upon the instructions of a User and changes to the prevailing NBBO.

(j) The term "EFIDs" means Executing Firm IDs and shall refer to what the System uses to identify the User and the clearing number for the execution of orders and quotes submitted to the System with that EFID. A User may obtain one or more EFIDs from the Exchange (in a form and manner determined by the Exchange). The Exchange assigns an EFID to its Users.

(1) Each EFID corresponds to a single User and a single clearing number of a Clearing Member with the Clearing Corporation.

(2) A User may obtain multiple EFIDs, which may be for the same or different clearing numbers.

(3) A User is able (in a form and manner determined by the Exchange) to designate which of its EFIDs may be used for each of its ports. If a User submits an order or quote through a port with an EFID not enabled for that port, the System cancels or rejects the order or quote.

(k) The term "port" includes the following types of ports:

(1) A "physical port" provides a physical connection to the System. A physical port may provide access to multiple logical ports.

(2) A "logical port" or "application session" provides Users with the ability within the System to accomplish a specific function through a connection, such as order entry, data receipt, or access to information.

(l) The term "bulk message" shall mean a bid or offer included in a single electronic message a User submits with a Market Maker Capacity to the Exchange in which the User may enter, modify, or cancel up to an Exchange-specified number of bids and offers (which number the Exchange announces via Exchange notice or publicly available technical specifications). The System handles a bulk message in the same manner as it handles an order or quote, unless the

Rules specify otherwise. Users may submit bulk messages through a logical port, subject to the following:

(1) bulk messages must contain a Time-in-Force of Day or IOC;

(2) a Market Maker with an appointment in a class must designate a bulk message for that class as Post Only or Book Only, and a non-appointed Market Maker must designate a bulk message for that class as Post Only;

(3) the System cancels or rejects a Post Only bulk message bid (offer) with a price that locks or crosses the Exchange best offer (bid) or ABO (ABB);

(4) the System executes a Book Only bulk message bid (offer) that locks or crosses the ABO (ABB) against offers (bids) resting in the Book at prices the same as or better than the ABO (ABB) and then cancels the unexecuted portion of that bid (offer).

(m) The term "Cancel Back" shall mean an instruction a User designates on an order (including bulk messages) to not be subject to the Price Adjust process pursuant to paragraph (i) above. The System cancels or rejects an order with a Cancel Back instruction (immediately at the time the System receives the order or upon return to the System after being routed away) if displaying the order on the Book would create a violation of Rule 27.3, or if the order cannot otherwise be executed or displayed in the Book at its limit price. The System executes a Book Only – Cancel Back order against resting orders.

Rule 21.2. Days and Hours of Business

(a) The Exchange will begin accepting orders after 9:30 a.m. Eastern Time, as described in Rule 21.7. Orders and bids and offers shall be open and available until 4:00 p.m. Eastern Time except for option contracts on Fund Shares, as defined in Rule 19.3(i), option contracts on exchange-traded notes including Index-Linked Securities, as defined in Rule 19.3(l), and option contracts on broad-based indexes, as defined in Rule 29.1(j), which may close as of 4:15 p.m. Eastern Time.

(b) Except as set forth in paragraph (a) above or in unusual conditions as may be determined by the Exchange, hours during which transactions in options on individual stocks may be made on MX2 Options shall correspond to the normal business days and hours for business set forth in the rules of the primary market trading the securities underlying options traded on MX2 Options.

(c) MX2 Options shall not be open for business on any holiday observed by the Exchange.

Rule 21.3. Units of Trading

The unit of trading in each series of options traded on MX2 Options shall be the unit of trading established for that series by the Clearing Corporation pursuant to the Rules of the Clearing Corporation and the agreements of the Exchange with the Clearing Corporation.

Rule 21.4. Meaning of Premium Quotes and Orders

(a) General.

Except as provided in paragraph (b), orders shall be expressed in terms of dollars per unit of the underlying security. For example, a bid of "5" shall represent a bid of $500 for an options contract having a unit of trading consisting of 100 shares of an underlying security, or a bid of $550 for an options contract having a unit of trading consisting of 110 shares of an underlying security.

(1) *Mini Options*. Bids and offers for an option contract overlying 10 shares shall be expressed in terms of dollars per 1/10th part of the total value of the contract. An offer of ".50" shall represent an offer of $5.00 on an option contract having a unit of trading consisting of 10 shares.

(b) Special Cases.

Orders for an options contract for which MX2 Options has established an adjusted unit of trading in accordance with Rule 21.3 (Units of Trading) shall be expressed in terms of dollars per 1/100 part of the total securities and/or other property constituting such adjusted unit of trading. For example, an offer of "3" shall represent an offer of $300 for an options contract having a unit of trading consisting of 100 shares of an underlying security plus ten (10) rights.

Rule 21.5. Minimum Increments

(a) The following principles apply to the minimum quoting increments for options contracts traded on MX2 Options: (1) if the options series is trading at less than $3.00, five (5) cents; (2) if the options series is trading at $3.00 or higher, ten (10) cents; and (3) if the options series is trading pursuant to the Penny Interval Program one (1) cent if the options series is trading at less than $3.00, five (5) cents if the options series is trading at $3.00 or higher, unless for QQQ, SPY, or IWM where the minimum quoting increment will be one cent for all series regardless of price.

(b) The minimum trading increment for options contracts traded on MX2 Options will be one (1) cent for all series.

(c) *Mini Options*. Notwithstanding any other provision of this Rule, the minimum trading increment for Mini Options shall be determined in accordance with Interpretations and Policies .07 to Rule 19.5.

(d) Requirements for Penny Interval Program. The Exchange will list option classes for the Penny Interval Program ("Penny Program") with minimum quoting requirements ("penny

increments") of one cent ($0.01) and five cents ($0.05), as set forth in paragraph (a) above. The list of the option classes included in the Penny Program will be announced by the Exchange via a circular distributed to Options Members and published by the Exchange on its website.

(1) *Initial Selection*. The Penny Program will apply only to the 363 most actively traded multiply listed option classes, based on OCC's National Cleared Volume, that (i) currently quote in penny increments, or (ii) overlie securities priced below $200, or any index at an index level below $200. Eligibility for inclusion in the Penny Program will be limited to those classes already operating under penny programs of other options exchanges at the time MX2 Options is launched.

(2) *Annual Review*. In December of each year, OCC will rank all multiply listed option classes based on National Cleared Volume for the six full calendar months from June 1 through November 30 for determination of the most actively traded option classes.

(A) Addition to the Penny Program. Based on the Annual Review, any option class not in the Penny Program that is among the 300 most actively traded multiply listed option classes overlying securities priced below $200, or an index at an index level below $200, will be added to the Penny Program on the first trading day of January.

(B) Removal from the Penny Program. Except as provided in subparagraphs (d)(3) – (6) below, based on the Annual Review, any option class in the Penny Program that falls outside the 425 most actively traded multiply listed option classes will be removed from the Penny Program on the first trading day of April.

(3) *Newly listed Option Classes*. The Exchange may add to the Penny Program a newly listed option class provided that (i) it is among the 300 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in its first full calendar month of trading and (ii) the underlying security is priced below $200 or the underlying index is at an index level below $200. Any option class added under this provision will be added on the first trading day of the month after it qualifies and will remain in the Penny Program for one full calendar year, after which it will be subject to the Annual Review stated in subparagraph (d)(2) above.

(4) *Classes with Significant Growth in Activity*. The Exchange may add any option class to the Penny Program, provided that (i) it is among the 75 most actively traded multiply listed option classes, as ranked by National Cleared Volume at OCC, in the past six full calendar months of trading and (ii) the underlying security is priced below $200 or the underlying index is at an index level below $200. Any option class added under this provision will be added on the first trading day of the second full month after it qualifies and will remain in the Penny Program for the rest of the calendar year, after which it will be subject to the Annual Review stated in subparagraph (d)(2) above.

(5) *Corporate Actions*. If a corporate action involves one or more option classes in the Penny Program, all adjusted and unadjusted series of the option class will be included in the Penny Program. Any new option class added to the Penny Program under this provision will remain in the Penny Program for at least one full calendar year, after which it will be subject to the Annual Review stated in subparagraph (d)(2) above.

(6) *Delisted or Ineligible Option Classes*. Any series in an option class participating in the Penny Program in which the underlying security has been delisted, or are identified by OCC as ineligible for opening customer transactions, will continue to quote pursuant to the terms of the Penny Program until all such options have expired.

Rule 21.6. Entry of Orders

Users can enter orders into the System, subject to the following requirements and conditions:

(a) Users shall be permitted to transmit to the System multiple orders at a single as well as multiple price levels. However, a User may enter only one bid and one offer for a series per EFID using bulk messages. Each order will indicate the Reserve Quantity (if applicable).

(b) The System shall time-stamp an order which shall determine the time ranking of the order for purposes of processing the order.

(c) Orders can be entered into the System (or previously entered orders cancelled) after 9:30 a.m. Eastern Time, subject to Rule 21.7, until market close. Orders received prior to the opening of the System will be cancelled.

(d) For each System Security, the aggregate size of all orders at the best price to buy and sell resident in the System and eligible for display will be transmitted for display to the appropriate network processor.

(e) Subject to the exceptions contained in paragraph (b) of Rule 27.2 (Order Protection), an order will not be executed at a price that trades through another options exchange. An order that is designated by an Options Member as routable will be routed in compliance with applicable Trade-Through restrictions.

(f) Any order entered with a price that would lock or cross a Protected Quotation of another options exchange that is not eligible for either routing or the Price Adjust Process as defined in paragraph (i) of Rule 21.1 will be cancelled.

Rule 21.7. Market Opening Procedures

(a) The System shall open options, other than index options, for trading after the System's observation after 9:30 a.m. Eastern Time of both: (i) the first transaction on the primary listing market in the security underlying the option, and (ii) the Limit Up-Limit Down price bands applicable to the security underlying the option as disseminated by the applicable

Securities Information Processor ("SIP"). With respect to index options, the System shall open for trading after a time period (which the Exchange determines for all classes) following the System's observation after 9:30 a.m. Eastern Time of the first disseminated index value for the index underlying an index option.

(b) In the event the underlying security has not opened within a reasonable time after 9:30 a.m. Eastern Time, the Exchange shall determine the cause of the delay. The beginning of trading of options contracts in such class shall be delayed until the market for the underlying security has opened unless the Exchange determines that the interests of a fair and orderly market are best served by opening trading in the options contracts.

(c) The Exchange may delay the commencement of trading in any class of options in the interests of a fair and orderly market.

Rule 21.8. Order Display and Book Processing

(a) All bids or offers made and accepted on MX2 Options in accordance with the Rules shall constitute binding contracts, subject to applicable requirements of the Exchange Rules and the Rules of the Clearing Corporation.

(b) Priority on the Exchange. The highest bid and lowest offer shall have priority on the Exchange.

(c) Pro-Rata Allocation. As set forth in paragraph (b) above, resting quotes and orders on the MX2 Options Book are prioritized according to price. If there are two or more quotes or orders at the best price then the contracts are allocated proportionally according to size (in a pro-rata fashion). The executable quantity is allocated to the nearest whole number, with fractions 1/2 or greater rounded up and fractions less than 1/2 rounded down. If the executable quantity cannot be evenly allocated, contracts will be distributed using the pro-rata priority methodology described in this Rule 21.8 until there are no contracts remaining.

(d) Additional Priority Overlays Applicable to the Pro-Rata Allocation Method. In connection with the allocation methodology set forth in paragraph (c) above, the Exchange may apply, on a class-by-class basis, one or more of the following designated market participant overlay priorities in a sequence determined by the Exchange. The Exchange will issue a notice to Options Members which will specify which classes of options are initially subject to these additional priority overlays and will provide such Options Members with reasonable advance notice of any changes to the application of such overlays.

(1) Priority Customer Orders. When this priority overlay (the "Customer Overlay") is in effect, the highest bid and lowest offer shall have priority except that Priority Customer Orders shall have priority over orders on behalf of all other types of participants ("non-Customers") at the same price. If there are two or more Priority Customer Orders for the same options series at the same price, priority shall be afforded

to such Priority Customer Orders in the sequence in which they are received by the System.

(2) Preferred Market Maker. The Exchange may determine to grant Preferred Market Makers ("PMMs") participation entitlements pursuant to the provisions of paragraph (f) below. As indicated in such paragraph, the PMM participation entitlement may only be in effect when the Customer Overlay is also in effect.

(3) Lead Market Maker. The Exchange may determine to grant Lead Market Makers ("LMMs") the LMM participation entitlement and/or the LMM small order entitlement pursuant to the provisions of paragraph (g) below. As indicated in such paragraph, neither the LMM participation entitlement nor the LMM small order entitlement may be in effect in a class unless the Customer Overlay is also in effect.

(e) Non-Customer Orders. After executions resulting from Priority Overlays set forth in paragraph (d) above, Orders and Quotes within the System for the accounts of non-Customers, as defined in paragraph (d)(1) above, have next priority. If there is more than one highest bid or more than one lowest offer in the Consolidated Book for the account of a non-Customer, then such bids or offers will be afforded priority on a "size pro rata" basis.

(f) Preferred Market Maker Participation Entitlements. An Options Member may designate a Market Maker ("Preferred Market Maker" or "PMM") on orders it enters into the System ("Preferred Orders"). The PMM must be registered with the Exchange as a Market Maker in the relevant option class at the time of receipt of the Preferred Order to be eligible to receive the PMM participation entitlement. Only Priority Customer Orders will be eligible to be preferred by an Options Member. The PMM participation entitlement shall not be in effect unless the Customer Overlay is in effect and the participation entitlement shall only apply to any remaining balance after Priority Customer orders have been satisfied. The PMM participation entitlements are as follows:

(1) For each incoming order, if the PMM has a priority quote at the NBBO, its participation entitlement is equal to the greater of (i) the proportion of the total size at the best price represented by the size of its quote, or (ii) sixty percent (60%) of the contracts to be allocated if there is only one (1) other Market Maker quotation or non-Customer order at the NBBO and forty percent (40%) if there are two (2) or more other Market Maker quotes and/or non-Customer orders at the NBBO.

(2) For orders of more than one contract, if the PMM participation entitlement applies, the executable quantity is allocated to the nearest whole number, with fractions 1/2 or greater rounded up and fractions less than 1/2 rounded down, as applicable.

(g) Lead Market Maker Participation Entitlements. An LMM may be appointed by the Exchange in option classes in accordance with Rule 22.2. Neither the LMM participation entitlement nor LMM small order entitlement may be in effect in a class unless the Customer

Overlay is also in effect. When in effect, the LMM participation entitlement and/or LMM small order entitlement shall only apply to any remaining balance after Priority Customer Orders have been satisfied. The LMM entitlements are as follows:

(1) LMM Participation Entitlement. For each incoming order, if the LMM has a priority quote at the NBBO, its participation entitlement is equal to the greater of (i) the proportion of the total size at the best price represented by the size of its quote, or (ii) sixty percent (60%) of the contracts to be allocated if there is only one (1) other Market Maker quotation or non-Customer order at the NBBO and forty percent (40%) if there are two (2) or more other Market Maker quotes and/or non-Customer orders at the NBBO.

(2) LMM Small Order Entitlement. Small size orders will be allocated in full to the LMM if the LMM has a priority quote at the NBBO. The Exchange will review this provision quarterly and will maintain the small order size at a level that will not allow small size orders executed by LMMs to account for more than 40% of the volume executed on the Exchange. Small size orders are defined as incoming orders of five (5) or fewer contracts.

(h) Conditions of Participation Entitlements. In allocating the participation entitlements set forth in this Rule 21.8 to the PMM and LMM the following shall apply:

(1) In a class of options where the PMM participation entitlement, the LMM participation entitlement, and the LMM small order entitlement are in effect and an Options Member has preferred an order to a PMM:

(A) if the PMM's priority quote is at the NBBO, the PMM's participation entitlement will supersede the LMM's participation entitlement, and the LMM small order entitlement, for an order preferred to such PMM;

(B) if the PMM's priority quote is not at the NBBO, the LMM's participation entitlement or LMM small order entitlement, as applicable, will apply to that order, provided the LMM's priority quote is at the NBBO;

(C) if an order is preferred to the LMM (i.e., the LMM is also the PMM), the LMM receives the LMM participation entitlement or LMM small order entitlement, as applicable, provided the LMM/PMM's priority quote is at the NBBO; and

(D) if neither the PMM's nor the LMM's priority quote is at the NBBO then executed contracts will be allocated in accordance with the pro-rata allocation methodology as described in paragraphs (c) and (e) above without regard to any participation entitlement.

(2) If any incoming order has not been preferred to a PMM by an Options Member, then the LMM participation entitlement or LMM small order entitlement, as applicable, will apply to that order, provided the LMM's priority quote is at the NBBO.

(3) The participation entitlements shall not be in effect unless the Customer Overlay is also in effect and the participation entitlements shall only apply to any remaining balance after Priority Customer Orders have been satisfied.

(4) Neither the LMM nor the PMM may be allocated a total quantity greater than the quantity they are quoting at the execution price. If the LMM's or the PMM's allocation of an order pursuant to its participation entitlement is greater than its pro-rata share of priority quotes at the best price at the time that the participation entitlement is granted, neither the LMM nor the PMM shall receive any further allocation of that order.

(5) In establishing the counterparties to a particular trade, the participation entitlements must first be counted against the LMM's highest priority bids and offers or the PMM's highest priority bids or offers.

(6) These participation entitlements only apply to the allocation of executions among competing Market Maker priority quotes existing on the MX2 Options Book at the time the order is received by the Exchange. No market participant is allocated any portion of an execution unless it has an existing interest at the execution price. Moreover, no market participant can execute a greater number of contracts than is associated with its interest at a given price. Accordingly, the LMM participation entitlement, the LMM small order entitlement, and the PMM participation entitlement contained in this Rule are not guarantees.

(i) Price Improvement — any potential price improvement resulting from an execution in the System shall accrue to the party that is removing liquidity previously posted to the MX2 Options Book.

(j) MX2 Options — listed options that are the subject of a trading halt initiated pursuant to Rule 20.3 (Trading Halts), shall open for trading at the time specified by the Exchange pursuant to Rule 20.4. When the System opens, orders shall be added to the MX2 Options Book in time priority and executed as described above in this Rule.

(k) Match Trade Prevention. Pursuant to Rule 21.1(h), 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.

(l) Priority of Reserve Orders. Nondisplayed portions of Reserve Orders are allocated in accordance with paragraph (c) above, but additional priority overlays do not apply, except for the Customer Overlay (if applicable).

(m) Cancel/Replace. If a User submits a cancel/replace message for a resting order, regardless of whether the cancel/replace message modifies any terms of the resting order, the order loses its priority position and is placed in a priority position based on the time the System receives the cancel/replace message, unless the User only (1) decreases the quantity of an order, or (2) modifies the Max Floor (if a Reserve Order).

Rule 21.9. Order Routing

(a) General. For System securities, the order routing process shall be available to Users from 9:30 a.m. Eastern Time until market close, and shall route orders as follows. Users can designate orders as either available for routing or not available for routing. Orders designated as not available for routing and bulk messages, which are not eligible for routing, shall follow the book processing rules set forth in Rule 21.8 (Order Display and Book Processing) above.

(1) *Routing of Market Orders*. With respect to an order that is eligible for routing, the System will designate Market Orders as IOC or ISO and will cause such orders to be routed to one or more options exchanges for potential execution, per the entering User's instructions, in compliance the Options Order Protection and Locked/Crossed Market Plan. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will cancel any unexecuted portion back to the User.

(2) *Routing of Marketable Limit Orders*. With respect to an order that is eligible for routing, the System will designate marketable Limit Orders as IOC or ISO and will cause such orders to be routed for execution to one or more options exchanges for potential execution, per the entering User's instructions, in compliance the Options Order Protection and Locked/Crossed Market Plan. After the System receives responses to orders that were routed away, to the extent an order is not executed in full through the routing process, the System will process the balance of such order as follows. Depending on parameters set by the User when the incoming order was originally entered, the System will either: (i) process the unfilled balance of an order as an order with a Book Only instruction subject to the price adjust process as defined in Rule 21.1(i), if applicable, or (ii) repeat the process described above by executing against the MX2 Options Book and/or routing orders to other options exchanges until the original, incoming order is executed in its entirety or its limit price is reached. If the order's limit price is reached, the order will be posted in the MX2 Options Book.

(3) *Routing Table*. The System will consider the quotations only of accessible markets when routing. The term "System routing table" refers to the proprietary process for determining the specific options exchanges to which the System routes orders and the order in which it routes them. The Exchange reserves the right to route orders simultaneously or sequentially and to modify the System routing table at any time without notice.

(b) Priority of Routed Orders. Orders that have been routed by the System to other options exchanges are not ranked and maintained in the MX2 Options Book pursuant to Rule 21.8, and therefore are not available to execute against incoming orders. Once routed by the System, an order becomes subject to the rules and procedures of the destination options exchange including, but not limited to, order cancellation. If a routed order is subsequently returned, in whole or in part, that order, or its remainder, shall receive a new time stamp reflecting the time of its return to the System.

(c) Users whose orders are routed to other options exchanges shall be obligated to honor such trades that are executed on other options exchanges to the same extent they would be obligated to honor a trade executed on MX2 Options.

(d) MX2 Options shall route orders in options via MEMX Execution Services LLC ("MEMX Execution Services"), which serves as the Outbound Router of the Exchange, as defined in Rule 2.11 (MEMX Execution Services LLC as Outbound Router). The function of the Outbound Router will be to route orders in options listed and open for trading on MX2 Options to other options exchanges pursuant to the rules of MX2 Options solely on behalf of MX2 Options. The Outbound Router is subject to regulation as a facility of the Exchange, including the requirement to file proposed rule changes under Section 19 of the Act. Use of MEMX Execution Services or Routing Services described in paragraph (e) below to route orders to other market centers is optional. Parties that do not desire to use MEMX Execution Services for routing or other Routing Services provided by the Exchange must designate orders as not available for routing.

(e) Back-Up Order Routing Services. In the event the Exchange is not able to provide order routing services through its affiliated broker-dealer pursuant paragraph (d) above, the Exchange will route orders to other options exchanges in conjunction with one or more routing brokers that are not affiliated with the Exchange ("Routing Services") as described in this paragraph (e). In connection with such services, the following shall apply:

(1) For each routing broker used by the Exchange, an agreement will be in place between the Exchange and the routing broker that will, among other things, restrict the use of any confidential and proprietary information that the routing broker receives to legitimate business purposes necessary for routing orders at the direction of the Exchange.

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

(3) The Exchange may not use a routing broker for which the Exchange or any affiliate of the Exchange is the designated examining authority.

(4) The Exchange will provide its Routing Services in compliance with the provisions of the Act and the rules thereunder, including, but not limited to, the requirements in Section 6(b)(4) and (5) of the Act that the rules of a national securities exchange provide for the equitable allocation of reasonable dues, fees, and other charges among its members and issuers and other persons using its facilities, and not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

(5) For all Routing Services, the Exchange will determine the logic that provides when, how, and where orders are routed away to other options exchanges.

(6) The routing broker will receive routing instructions from the Exchange, to route orders to other options exchanges and report such executions back to the Exchange. The routing broker cannot change the terms of an order or the routing instructions, nor does the routing broker have any discretion about where to route an order.

(7) Any bid or offer entered on the Exchange routed to another options exchange via a routing broker that results in an execution shall be binding on the User that entered such bid/offer.

(f) *Market Access*. In addition to the Exchange Rules regarding routing to away options exchanges, MEMX Execution Services, as defined in Rule 2.11, has, pursuant to Rule 15c3-5 under the Act, implemented certain tests designed to mitigate the financial and regulatory risks associated with providing the Exchange's Users with access to such away options exchanges. Pursuant to the policies and procedures developed by MEMX Execution Services to comply with Rule 15c3-5, if an order or series of orders are deemed to be erroneous or duplicative, would cause the entering User's credit exposure to exceed a preset credit threshold, or are non-compliant with applicable pre-trade regulatory requirements (as defined in Rule 15c3-5), MEMX Execution Services will reject such orders prior to routing and/or seek to cancel any orders that have been routed.

Rule 21.10. Anonymity

(a) Aggregated and individual transaction reports produced by the System will indicate the details of a User's transactions, including the contra party's EFID, capacity, and clearing firm account number.

(b) The Exchange shall reveal a User's identity when a registered clearing agency ceases to act for a participant, or the User's clearing firm, and the registered clearing agency determines not to guarantee the settlement of the User's trades.

(c) The Exchange shall reveal a User's identity for regulatory purposes or to comply with an order of an arbitrator or court.

Rule 21.11. Transaction Price Binding

The price at which an order is executed shall be binding notwithstanding that an erroneous report in respect thereto may have been rendered, or no report rendered. A report shall not be binding if an order was not actually executed but was reported to have been executed in error.

Rule 21.12. Clearing Member Give Up

(a) *General*. For each transaction in which a User participates, the User may indicate, at the time of the trade or through post-trade allocation, any Options Clearing Corporation ("OCC") number of the Clearing Member through which the transaction will be cleared ("give up"). The Clearing Member that is given up must be a Designated Give Up or a Guarantor of the User as set forth in paragraph (b) below. Clearing Members may elect to Opt In, as defined and described in paragraph (c) below, and restrict one or more of its OCC number(s) ("Restricted OCC Number"). A User may give up a Restricted OCC Number provided the User has written authorization as described in paragraph (c)(2) below ("Authorized User") and provided the Restricted OCC Number belongs to a Designated Give Up of the User.

(b) *Designated Give Ups*.

(1) *Definition of Designated Give Up*. For purposes of this Rule, a Designated Give Up of a User refers to a Clearing Member identified to the Exchange by that User as a Clearing Member the User requests the ability to give up and that has been processed by the Exchange as a Designated Give Up.

(2) *Definition of Guarantor*. For purposes of this Rule, a "Guarantor" of an executing User refers to a Clearing Member that has issued a Letter of Guarantee for the executing User under the Rules of the Exchange that are in effect at the time of the execution of the applicable trade.

(3) *Identification of Designated Give Up*. Every User (other than a Market Maker) must identify, in a form and manner prescribed by the Exchange and in advance of giving up any Clearing Member that is not a Guarantor for the User, any Designated Give Ups. A User shall only give up (A) a Clearing Member that has previously been identified and processed by the Exchange as a Designated Give Up for that User, provided that the Designated Give Up has not Opted In, or provided that the User is an Authorized User of that Designated Give Up, or (B) a Guarantor for that User.

(4) *Non Market Makers*. Any User (other than a Market Maker) may designate, pursuant to subparagraph (b)(3) above, any Clearing Member other than its Guarantor, as a Designated Give Up.

(5) *Market Makers*. For each transaction in which a Market Maker participates, a Guarantor of the Market Maker shall be the Clearing Member through which the transaction will be cleared.

(6) *Guarantors*. A Guarantor for a User will be enabled to be given up for that User without any further action by the Clearing Member or User.

(7) *Removal of Designated Give Up*. If a User (other than a Market Maker) no longer wants the ability to give up a particular Designated Give Up, the User must notify the Exchange, in a form and manner prescribed by the Exchange.

(c) *Opt In*. Clearing Members may request the Exchange restrict one or more of their OCC clearing numbers ("Opt In") as described in subparagraph (c)(1) below. If a Clearing Member Opts In, the Exchange will require written authorization from the Clearing Member permitting a User to give up a Clearing Member's Restricted OCC Number. An Opt In would remain in effect until the Clearing Member terminates the Opt In as described in subparagraph (c)(3) below. If a Clearing Member does not Opt In, that Clearing Member's OCC number would be subject to give up by any User.

(1) *Clearing Member Process to Opt In*. A Clearing Member may Opt In by sending a completed "Clearing Member Restriction Form" listing all Restricted OCC Numbers and Authorized Users. A Clearing Member may elect to restrict one or more OCC clearing numbers that are registered in its name at OCC. The Clearing Member would be required to submit the Clearing Member Restriction Form to the Exchange's Membership Department as described on the form. Once submitted, the Exchange requires ninety days before a Restricted OCC Number is effective within the System.

(2) *User Give Up Process for Restricted OCC Numbers*. A User desiring to give up a Restricted OCC Number must become an Authorized User. The Clearing Member will be required to authorize a User as described in subparagraph (1) or (3), unless the Restricted OCC Number is already subject to a Letter of Guarantee that the User is a party to.

(3) *Amendments to Authorized Users or Restricted OCC Numbers*. A Clearing Member may amend its Authorized Users or Restricted OCC Numbers by submitting a new Clearing Member Restriction Form to the Exchange's Membership Department indicating the amendment as described on the form. Once a Restricted OCC Number is effective within the System pursuant to paragraph (1) above, the Exchange may permit the Clearing Member to authorize, or remove authorization for, a User to Give Up the Restricted OCC Number intra-day only in unusual circumstances, and on the next business day in all regular circumstances. The Exchange will promptly notify Users if they are no longer authorized to give up a Clearing Member's Restricted OCC Number. If a Clearing Member removes a Restricted OCC Number, any User may give up that OCC clearing number once the removal has become effective on or before the next business day, provided that the User has identified the Clearing Member as a Designated Give Up.

(d) *System*. The Exchange's trading systems shall only accept orders that identify an effective Designated Give Up or a Guarantor. For any Restricted OCC Number, the Exchange's trading systems will only accept orders for that number from an Authorized User that has also designated that Clearing Member as a Designated Give Up.

(e) *Notice*. The Exchange shall notify a Clearing Member, in writing and as soon as practicable, of each User that has identified the Clearing Member as a Designated Give Up pursuant to subparagraph (b)(3) above. The Exchange shall notify a User, in writing and as soon as practicable, of each Clearing Member that has identified the User as an Authorized User pursuant to subparagraph (c) above.

(f) *Other Give Up Changes*.

(1) *Give Up Changes Made by Executing User*. If the executing User has the ability through an Exchange system to do so, the User may change the give up on the trade to another Designated Give Up, provided it's an Authorized User for any Restricted OCC Number, or to its Guarantor. The ability of an executing User to make any give up change will end at the trade input cutoff time established by the Clearing Corporation (or fifteen minutes thereafter if the Exchange receives and is able to process a request to extend its time of final trade submission to the Clearing Corporation) ("Trade Date Cutoff Time").

(2) *Give Up Changes Made by Designated Give Ups to Affiliates and Back Office Agents*. If a Designated Give Up has the ability through an Exchange system to do so, the Designated Give Up may change the give up on a trade to (A) another Clearing Member affiliated with the Designated Give Up or (B) a Clearing Member that is a back office agent for the Designated Give Up. The ability to make such a change will end at the Trade Date Cutoff Time.

(3) *Give Up Changes Made by Designated Give Ups or Guarantors and Clearing Members on T+1*. If a Designated Give Up (or Guarantor) and a Clearing Member have the ability through an Exchange system to do so, the Designated Give Up (or Guarantor) and Clearing Member may each enter trade records into the Exchange's systems on the next trading day ("T+1") that would effect a transfer of a trade in nonexpired option series from that Designated Give Up (or Guarantor) to that Clearing Member. The ability to make such a change will end at 12:00 p.m. Eastern Time on T+1 ("T+1 Cutoff Time"). The Designated Give Up (or Guarantor) will notify the Exchange and all the parties to the trade, in writing, of any such change.

(g) *Responsibility*. For purposes of the Rules of the Exchange, a Clearing Member will be financially responsible for all trades for which it is the give up at the Applicable Cutoff Time. Nothing in this Rule will preclude a different party from being responsible for the trade outside of the Rules of the Exchange pursuant to the Rules of the Options Clearing Corporation, any agreement between the applicable parties, other applicable rules and regulations, arbitration, court proceedings or otherwise. For purposes of this Rule, the "Applicable Cutoff Time" shall

refer to the Cutoff Time for non-expiring option series and to the Trade Date Cutoff Time for expiring option series.

(h) *Misuse*. An intentional misuse of this Rule is impermissible, and may be treated as a violation of Rule 3.1.

Interpretations and Policies

.01 Nothing herein will be deemed to preclude the clearance of Exchange transactions by a non-User pursuant to the By-Laws of the Options Clearing Corporation so long as a Clearing Member who is a User is also designated as having responsibility under these Rules for the clearance of such transactions.

Rule 21.13. Submission for Clearance

(a) All options transactions effected on MX2 Options shall be submitted for clearance to the Clearing Corporation, and all such transactions shall be subject to the Rules of the Clearing Corporation. Every Clearing Member shall be responsible for the clearance of MX2 Options Transactions of such Clearing Member and of each User that gives up such Clearing Member's name pursuant to a letter of authorization, letter of guarantee or other authorization given by such Clearing Member to such User, which authorization must be submitted to the Exchange.

(b) On each business day at or prior to such time as may be prescribed by the Clearing Corporation, MX2 Options shall furnish the Clearing Corporation a report of each Clearing Member's matched trades.

Rule 21.14. Message Traffic Mitigation

For the purpose of message traffic mitigation, based on MX2 Options' traffic with respect to target traffic levels and in accordance with MX2 Options' overall objective of reducing both peak and overall traffic:

(a) MX2 Options will periodically delist options with an average daily volume ("ADV") of less than 100 contracts. The Exchange will, on a monthly basis, determine the ADV for each series listed on MX2 Options and delist the current series and not list the next series after expiration where the ADV is less than 100 contracts. For options series traded solely on MX2 Options, the Exchange will delay delisting until there is no open interest in that options series.

(b) MX2 Options will implement a process by which an outbound quote message that has not been sent, but is about to be sent, will not be sent if a more current quote message for the same series is available for sending. This replace on queue functionality will be applied to all options series listed on MX2 Options in real time and will not delay the sending of any messages.

(c) MX2 Options will also prioritize price update messages and send out price updates before sending size update messages. This functionality will be applied to all options series listed on the MX2 Options and in conjunction with the previously described replace on queue functionality will ensure that MX2 Options quote update messages are the most current and relevant available.

(d) All message traffic mitigation mechanisms which are used on MX2 Options will be identical to the OPRA "top of the book" broadcast.

Rule 21.15. Data Dissemination

(a) Dissemination of Quotations. The Exchange will disseminate to quotation vendors the highest bid and the lowest offer, and the aggregate quotation size associated therewith that is available, in accordance with the requirements of Rule 602 of Regulation NMS under the Exchange Act.

(b) Exchange Data Products. The Exchange offers the following data products free of charge, except as otherwise noted in the Fee Schedule:

(1) MEMOIR MX2 Options Depth. MEMOIR MX2 Options Depth is an uncompressed data feed that offers depth of book quotations and execution information based on options orders entered into the System.

(2) MEMOIR MX2 Options Top. MEMOIR MX2 Options Top is an uncompressed data feed that offers top of book quotations and execution information based on options orders entered into the System.

(3) DROP. DROP is an uncompressed data feed that offers information regarding the options trading activity of a specific User. DROP is only available to the User to whom the specific data relates and those recipients expressly authorized by the User.

(4) Historical Data. Historical Data is a data product that offers historical options data.

(c) Notification of Priority Customer Interest on the Book.

(1) The Exchange will make available to all market participants through OPRA an indication that there is Priority Customer interest included in the BBO disseminated by the Exchange.

(2) The Exchange will identify Priority Customer Orders and trades as such on messages disseminated by the Exchange through its MEMOIR MX2 Options Depth data feed.

Rule 21.16. Risk Monitor Mechanism

(a) *Risk Parameters*. Each User may configure limits for the following parameters in the Exchange's Risk Monitor Mechanism. The System tracks each of the following within an underlying for an EFID ("underlying limit"), across all underlyings for an EFID ("EFID limit"), across all underlyings for a group of EFIDs ("EFID Group") ("EFID Group limit"), and/or across a customized group of orders designated by the User ("Custom Group limit"), over a User-established time period ("interval") and on an absolute basis for a trading day ("absolute limits"):

(1) number of contracts executed ("volume");

(2) notional value of executions ("notional");

(3) number of executions ("count");

(4) number of contracts executed as a percentage of number of contracts outstanding within an Exchange-designated time period or during the trading day, as applicable ("percentage"), which the System determines by calculating the percentage of a User's outstanding contracts that executed on each side of the market during the time period or trading day, as applicable, and then summing the series percentages on each side in the underlying; and

(5) number of times the limits established by the parameters under (a)(1)-(4) above are reached ("risk trips").

(b) *Active Risk Counter*. A User may optionally manage its risk limits actively using the Exchange's active risk counter. For a User using the active risk counter, the System increments the active risk counter associated with a defined parameter when such parameter increments. The System will decrement the active risk counter upon positive confirmation from the User via an electronic instruction that the User has acknowledged a change in the active risk counter. A User may specify the value by which each parameter increments and decrements in the active risk counter.

(c) *Risk Limits Reached.* When the System determines that a specified parameter has reached the User defined risk limit, depending on the User's instructions and the applicable limit that has been reached (i.e., underlying limit, EFID limit, EFID Group limit or Custom Group limit), the Risk Monitor Mechanism:

(1) cancels or rejects such User's orders or quotes in all series of the applicable underlying(s) and cancels or rejects any additional orders or quotes from the User in the applicable underlying(s) until the counting program resets; or

(2) suspends all of such User's resting orders or quotes in all series of the applicable underlying(s) and cancels or rejects any additional orders or quotes from the

User in the applicable underlying(s) until the Exchange is instructed to reinstate such bids and offers (as described below).

The Risk Monitor Mechanism will also attempt to cancel or reject any orders routed away to other exchanges.

(d) *Executions through Risk Limits.* The System will execute any marketable orders or quotes that are executable against a User's order or quote and received prior to the time the Risk Monitor Mechanism is triggered at the price up to the size of the User's order or quote, even if such execution results in executions in excess of the User's risk limit with respect to any parameter.

(e) *Counting Program Reset.*

(1) *Reset Process*. The System will not accept new orders or quotes from a User after a risk limit is reached until the User submits an electronic instruction to the System to reset the applicable counting program, acknowledges the changes in the active risk counter, or notifies the Exchange to reset the applicable counting program.

(2) *Reset Limit*. The Exchange may restrict the number of User underlying, EFID, EFID Group, and Custom Group resets per second.

(3) *Failure to Reset*. If the Exchange cancels all of a User's orders and quotes and the User does not reactivate its ability to send orders and quotes, the block will be in effect only for the trading day that the User reached its underlying, EFID, EFID Group, and/or Custom Group limit.

(4) *Other Resets*. The System will reset the counting period for absolute limits when a User refreshes its risk limit thresholds. The System will reset the counting program and commence a new interval time period when (A) a previous interval time period has expired and a transaction occurs in any series of an underlying or (B) a User refreshes its risk limit thresholds prior to the expiration of the interval time period.

(f) *Mass Cancellation or Suspension.* A User may also engage the Risk Monitor Mechanism to cancel resting bids and offers, as well as subsequent orders as set forth in Rule 22.10 or to suspend all resting bids and offers until the Exchange is instructed to reinstate such bids and offers.

Rule 21.17. Additional Price Protection Mechanisms and Risk Controls

The System's acceptance and execution of orders, quotes, and bulk messages, as applicable, are subject to the price protection mechanisms and risk controls in Rule 21.16, this Rule and as otherwise set forth in the Rules. All numeric values established by the Exchange pursuant to this Rule will be maintained by the Exchange in publicly available specifications and/or published in a Regulatory Circular. Unless otherwise specified the price protections set forth in this Rule,

including the numeric values established by the Exchange, may not be disabled or adjusted. The Exchange may share any of a User's risk settings with the Clearing Member that clears transactions on behalf of the User.

(a) *Market Order NBBO Width Protection*. If a User submits a Market Order to the System when the NBBO width is greater than x% of the midpoint of the NBBO, subject to minimum and maximum dollar values established by the Exchange, the System will reject or cancel back to the User the Market Order. The Exchange will establish "x" and the minimum and maximum values on a class-by-class basis. This protection does not apply to bulk messages.

(b) *Limit Order Fat Finger Check*. If a User submits a buy (sell) Limit Order to the System with a price that is more than a buffer amount established by the Exchange above (below) the NBO (NBB), the System will reject or cancel back to the User the Limit Order. This check does not apply to bulk messages.

(c) *Buy Order Put Check*. If a User enters a buy Limit Order for a put with a price that is higher than or equal to the strike price of the option, the System will reject or cancel back to the User the Limit Order. If a User enters a buy Market Order for a put that would execute at (or the remaining portion would execute at) a price higher than or equal to the strike price of the option, the System will reject or cancel back to the User the Market Order (or remaining portion). This check does not apply to adjusted options or bulk messages.

(d) *Drill-Through Price Protection*. The System executes an incoming order up to a buffer amount (the Exchange determines the buffer amount on a class and premium basis) above (below) the offer (bid) limit of the NBO (NBB) that existed at the time of order entry, respectively (the "Drill-Through Price"). The unexecuted portion of an order will be cancelled back to the User. This protection does not apply to bulk messages.

(e) *Market Orders in No-Bid (Offer) Series*.

(1) If the System receives a sell Market Order in a series after it is open for trading with an NBB of zero:

(A) if the NBO in the series is less than or equal to $0.50, then the System converts the Market Order to a Limit Order with a limit price equal to the minimum quoting increment applicable to the series and enters the order into the MX2 Options Book with a timestamp based on the time it enters the Book.

(B) if the NBO in the series is greater than $0.50, then the System cancels or rejects the Market Order.

(2) If the System receives a buy market order in a series after it is open for trading with an NBO of zero, the System cancels or rejects the Market Order.

(3) This protection does not apply to bulk messages.

(f) *Bulk Message Fat Finger Check*. The System cancels or rejects any bulk message bid (offer) more than a buffer amount above (below) the NBO (NBB), subject to a minimum and maximum dollar value, determined by the Exchange on a class-by-class basis. This check does not apply to bulk messages submitted when no NBBO is available.

(g) *Rejection of Bulk Message Updates*. If, pursuant to the Rules, the System cancels or rejects a bulk message bid (offer) to update a resting bulk message bid (offer) submitted for the same EFID and bulk port, the System also cancels the resting bulk message bid (offer).

Interpretations and Policies:

.01 In addition to the risk settings set forth in this Rule and Rule 21.16, the Exchange offers certain risk settings applicable to a User's activities on MX2 Options. The following risk settings currently offered by MX2 Options will result in the order being cancelled on entry:

(a) controls related to the maximum dollar amount for a single order and the maximum number of contracts that may be included in a single order;

(b) controls related to the order types or modifiers that can be utilized as well as orders when the market is crossed;

(c) controls to restrict the options classes for which a User may enter orders to test symbols only;

(d) controls prohibiting the entry of duplicative orders;

(e) controls restricting the overall rate of order entry; and

(f) 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.

.02 (a) MX2 Options also offers risk functionality that permits a User to (i) cancel all unexecuted orders and quotes in the MX2 Options Book, or (ii) block the entry of any new orders and quotes, or (iii) both cancel all unexecuted orders and quotes in the MX2 Options Book and block the entry of any new orders and quotes. In addition to (i), (ii), and (iii), the Exchange also offers (iv) risk functionality that automatically cancels a User's open orders and quotes to the extent the User loses its connection to the Exchange.

(b) MX2 Options offers batch cancel functionality that permits a User to cancel any orders or quotes in any series of options by requesting the Exchange to affect such cancellation. A User initiating such a request may also request that the Exchange block new inbound orders in any series of options. The block will remain in effect until the User requests the Exchange remove the block.

.03 The risk controls described in this Rule are meant to supplement, and not replace, the Member's or User's own internal systems, monitoring, and procedures related to risk management and are not designed for compliance with Rule 15c3-5 under the Exchange Act. Responsibility for compliance with all Exchange and SEC rules remains with the Member or User.

CHAPTER 22. MARKET PARTICIPANTS

Rule 22.1. Customer Orders and Order Entry Firms

Order Entry Firms (OEFs) are those Options Members representing as agent Customer Orders on MX2 Options or trading as principal on MX2 Options.

Rule 22.2. Options Market Maker Registration and Appointment

Options Members registered as Market Makers have certain rights and bear certain responsibilities beyond those of other Options Members. All Market Makers are designated as specialists on MX2 Options for all purposes under the Exchange Act.

(a) To register as a Market Maker, an Options Member must file an application in writing on such forms as the Exchange may prescribe. The Exchange reviews applications and considers an applicant's market making ability and such other factors as the Exchange deems appropriate in determining whether to approve an applicant's registration as a Market Maker.

(b) The registration of any Options Member as a Market Maker may be suspended or terminated by the Exchange upon a determination that such Options Member has failed to properly perform as a Market Maker.

(c) The Exchange may appoint one LMM per option class. There is no limit on the number of Options Members that may become Market Makers unless the Exchange determines to impose a limit based on system constraints, capacity restrictions, or other factors relevant to protecting the integrity of the System. The Exchange will not impose any such limitations until it has submitted objective standards for imposing the limits to the SEC for its review and approval.

(d) An Options Member or prospective Options Member adversely affected by an Exchange determination under this Chapter 22, including the Exchange's termination or suspension of an Options Member's registration as a Market Maker or a Market Maker's appointment to a class, may obtain a review of such determination in accordance with the provisions of Chapter 10.

(e) A registered Market Maker must register to make markets in option classes as set forth in Rule 22.3, below. Market Makers may select from among any option classes traded on the Exchange to request appointment as an LMM during all trading sessions, subject to the approval of the Exchange. In considering the approval of the appointment of an LMM in each class, the Exchange will consider:

(1) The Market Maker's preference;

(2) the financial resources available to the Market Maker;

(3) the Market Maker's experience, expertise and past performance in making markets, including the Market Maker's performance in other classes;

(4) the Market Makers operational capability; and

(5) the maintenance and enhancement of competition among Market Makers in each appointed class, including pursuant to the performance standards set forth in paragraph (i) below.

(f) Market Makers may request a change to the class for which they are appointed as LMM, subject to the approval of the Exchange. Such requests must be made in a form and manner prescribed by the Exchange. In considering whether to approve a Market Maker's request to change their appointment, the Exchange will consider the factors set forth in subsection (e), above.

(g) Market Makers may withdraw from trading a class that is within their appointment as an LMM by providing the Exchange with three business days' written notice of such withdrawal. Market Makers who fail to give advance written notice of withdrawal to the Exchange may be subject to formal disciplinary action pursuant to Chapter 8 of the Exchange's Rules.

(h) The Exchange may suspend or terminate any appointment of an LMM in one or more classes under this Rule whenever, in the Exchange's judgment, the interests of a fair and orderly market are best served by such action.

(i) Performance Standards for LMMs. The Exchange will periodically conduct an evaluation of LMMs to determine whether they have fulfilled performance standards relating to, among other things, quality of markets, competition among Market Makers, observance of ethical standards, and administrative factors. The Exchange may consider any relevant information including, but not limited to, the results of a Market Maker evaluation, trading data, a Market Maker's regulatory history and such other factors and data as may be pertinent in the circumstances.

(1) If the Exchange finds any failure by a Market Maker to meet minimum performance standards, the Exchange may take the following actions, after written notice and after opportunity for hearing pursuant to Chapter X of the Exchange's Rules:

(2) restriction of appointments to additional classes as a Lead Market Maker;

(3) suspension, termination, or restriction of a LMM appointment in one or more classes; or

(4) suspension, termination, or restriction of the Market Maker's registration in general.

If a Market Maker's appointment in a class or classes has been terminated pursuant to this paragraph (i), the Market Maker may not be re-appointed as a LMM in that class or classes for a period not to exceed 6 months

Rule 22.3. Market Maker Class Appointments

(a) An Options Member that has qualified as an Options Market Maker may select class appointments to make markets in those classes.

(b) An Options Market Maker may enter an appointment request via an Exchange approved electronic interface with the Exchange's systems by 9:00 a.m. Eastern Time, which appointment becomes effective on the day the Market Maker enters the appointment request.

(c) The Exchange may limit the number of appointments an Options Market Maker may have, or the number of Options Market Makers that may have appointments in a class, pursuant to Rule 22.2(c).

Rule 22.4. Good Standing for Market Makers

(a) To remain in good standing as a Market Maker, the Market Maker must:

(1) Continue to meet the requirements established in SEC Rule 15c3-1, and the general membership requirements set forth in the Chapter 2 of the Exchange Rules and the requirements for Market Makers as set forth in Rule 22.2 (Options Market Maker Registration and Appointment);

(2) comply with the Exchange Rules as well as the Rules of the OCC and the Federal Reserve Board; and

(3) pay on a timely basis such participation, transaction and other fees as the Exchange and MX2 Options prescribes.

(b) The Exchange may suspend or terminate an Option Member's registration as a Market Maker or a Market Maker's appointment to a class, or otherwise withdraw the good standing of a Market Maker as provided in the Exchange Rules, if the Market Maker ceases to maintain any of these conditions for approval or violates any of its agreements with the Exchange or any of the provisions of the Exchange Rules.

Rule 22.5. Obligations of Market Makers

(a) In registering as a Market Maker, an Options Member commits himself to various obligations. Transactions of a Market Maker in its market making capacity must constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market, and Market Makers should not make bids or offers or enter into transactions that are inconsistent with such course of dealings. Ordinarily, a Market Maker must:

(1) during trading hours, a Market Maker must maintain a continuous two-sided market, in each of its appointed classes, pursuant to Rule 22.6(d)(1);

(2) engage, to a reasonable degree under the existing circumstances, in dealings for its own accounts when there exists, or it is reasonably anticipated that there will exist, a lack of price continuity, a temporary disparity between the supply of (or demand for) a particular option contract, or a temporary distortion of the price relationships between option contracts of the same class;

(3) compete with other Market Makers in its appointed classes;

(4) make markets that will be honored for the number of contracts entered into MX2 Options' system in its appointed classes;

(5) update quotations in response to changed market conditions in its appointed classes; and

(6) maintain active markets in its appointed classes.

(b) Options Market Makers should only effect purchases or sales on MX2 Options in a reasonable and orderly manner.

(c) If the Exchange finds any substantial or continued failure by an Options Market Maker to engage in a course of dealings as specified in paragraph (a) of this Rule, the Options Market Maker will be subject to disciplinary action or suspension or revocation of registration as a Market Maker or its appointment in one or more of its appointed classes. Nothing in this Rule will limit any other power of the Exchange under the Rules, or procedures of MX2 Options with respect to the registration or appointment of a Market Maker or in respect of any violation by a Market Maker of the provisions of this Rule.

Rule 22.6. Market Maker Quotations

(a) Firm Quotes.

Market Maker bids and offers are firm for all orders under this Rule and Rule 602 of Regulation NMS under the Exchange Act ("Rule 602") for the number of contracts specified in the bid or offer, except if:

(1) a system malfunction or other circumstance impairs the Exchange's ability to disseminate or update market bids and offers in a timely and accurate manner;

(2) the level of trading activities or the existence of unusual market conditions is such that the Exchange is incapable of collecting, processing, and making available to quotation vendors the data for the option in a manner that accurately reflects the current state of the market on the Exchange;

(3) prior to the conclusion of the opening process; or

(4) any of the circumstances provided in paragraph (c)(4) of Rule 602 exist.

(b) Size Associated with Quotes. A Market Maker's bid (offer) for a series of options contracts must be accompanied by the number of contracts at the price of the bid (offer) the Market Maker is willing to buy (sell). The best bid and best offer entered by a Market Maker must have a size of at least one (1) contract.

(c) Two-Sided Quotes. A Market Maker that enters a bid (offer) in a series in an appointed class on MX2 Options must enter an offer (bid).

(d) Continuous Quotes. A Market Maker must enter continuous bids and offers (in accordance with the requirements in Rules 22.5 and 22.6) in 60% of the cumulative number of seconds, or such higher percentage as the Exchange may announce in advance, for which that Market Maker's appointed classes are open for trading, excluding any adjusted series, any intraday add-on series on the day during which such series are added for trading, any Quarterly Option Series, and any series with an expiration of greater than 270 days.

(1) Specifically, the Exchange will calculate this requirement by taking the total number of seconds the Market Maker disseminates quotes in each appointed class, excluding any adjusted series, any intra-day add-on series on the day during which such series are added for trading, any Quarterly Option Series, and any series with an expiration of greater than 270 days, and dividing that time by the eligible total number of seconds each appointed class is open for trading that day. Quoting is not required in every appointed class. This quoting obligation applies to all of the Market Maker's appointed classes collectively. The Exchange determines compliance by a Market Maker with the quoting obligations in this paragraph (d) on a monthly basis. However, determining compliance with this quoting obligation on a monthly basis does not relieve a Market Maker from meeting this obligation on a daily basis, nor does it prohibit the Exchange from taking disciplinary action against a Market Maker for failing to meet this obligation each trading day.

(2) If a technical failure or limitation of the System prevents a Market Maker from maintaining, or from communicating to the Exchange, timely and accurate quotes in a series, the Exchange does not consider the duration of such failure when determining whether that Market Maker has satisfied the 60% quoting standard with respect to that series.

(3) The continuous quoting obligations set forth in this paragraph (d): (i) will be suspended during a trading halt, suspension, or pause in the underlying security, and will not recommence until after the first regular way transaction on the primary listing market in the underlying security following such halt, suspension, or pause in the

underlying security, as reported by the responsible single plan processor, and (ii) will be suspended for the duration that an underlying NMS stock is in a limit up-limit down state.

(4) The Exchange may consider other exceptions to this obligation based on demonstrated legal or regulatory requirements or other mitigating circumstances.

(e) The Exchange may call on a Market Maker to submit a single quote or maintain continuous quotes in one or more series of a Market Maker's appointed class whenever, in the judgment of the Exchange, it is necessary to do so in the interest of maintaining a fair and orderly market.

(f) A Market Maker is considered an OEF under the Rules in all classes in which the Market Maker has no appointment. The total number of contracts a Market Maker may execute in classes in which it has no appointment may not exceed twenty-five (25) percent of the total number of all contracts the Market Maker executes on the Exchange in any calendar quarter.

Rule 22.7. Securities Accounts and Orders of Market Makers

(a) Identification of Accounts.

In a manner prescribed by the Exchange, each Market Maker shall file with the Exchange and keep current a list identifying all accounts for stock, options and related securities trading in which the Market Maker may, directly or indirectly, engage in trading activities or over which it exercises investment discretion. No Market Maker shall engage in stock, options or related securities trading in an account which has not been reported pursuant to this Rule.

(b) Reports of Orders.

Each Market Maker shall, upon request and in the prescribed form, report to the Exchange every order entered by the Market Maker for the purchase or sale of (1) a security underlying options traded on MX2 Options, or (2) a security convertible into or exchangeable for such underlying security, as well as opening and closing positions in all such securities held in each account reported pursuant to paragraph (a) of this Rule. The report pertaining to orders must include the terms of each order, identification of the brokerage firms through which the orders were entered, the times of entry or cancellation, the times report of execution were received and, if all or part of the order was executed, the quantity and execution price.

(c) Joint Accounts.

No Market Maker shall, directly or indirectly, hold any interest or participate in any joint account for buying or selling any options contract unless each participant in such joint account is an Options Member and unless such account is reported to, and not disapproved by, the Exchange. Such reports in a form prescribed by the Exchange shall be filed with the Exchange before any transaction is effected on MX2 Options for such joint account. A participant in a joint account must:

(1) Be either a Market Maker or a Clearing Member that carries the joint account.

(2) File and keep current a completed application on such form as is prescribed by the Exchange.

(3) Be jointly and severally responsible for assuring that the account complies with all Exchange Rules.

(4) Not be a Market Maker registered to the same options classes to which the joint account holder is also registered as a Market Maker.

Interpretations and Policies

.01 Reports of accounts and transactions required to be filed with MX2 Options pursuant to this Rule relate only to accounts in which a Market Maker, as an individual, directly or indirectly controls trading activities or has a direct interest in the profits or losses of such account. Such reports would be required for accounts over which a Market Maker exercises investment discretion as well as a Market Maker's proprietary accounts.

Rule 22.8. Letters of Guarantee

(a) Required of Each Options Member.

No Options Member shall make any transactions on MX2 Options unless a Letter of Guarantee has been issued for such Member by a Clearing Member and filed with the Exchange, and unless such Letter of Guarantee has not been revoked pursuant to paragraph (c) of this Rule.

(b) Terms of Letter of Guarantee.

A Letter of Guarantee shall provide that the issuing Clearing Member accepts financial responsibilities for all MX2 Options Transactions made by the guaranteed Options Member.

(c) Revocation of Letter of Guarantee.

A Letter of Guarantee filed with the Exchange shall remain in effect until a written notice of revocation has been filed with the Exchange by the Guarantor Clearing Member. A revocation shall in no way relieve a Clearing Member of responsibility for transactions guaranteed prior to the effective date of such revocation.

Rule 22.9. Financial Requirements for Market Makers

(a) Each Market Maker shall maintain (i) net liquidating equity in its Market Maker account of not less than $200,000, and in conformity with such guidelines as the Board may establish from time to time, and (ii) net capital sufficient to comply with the requirements of

Exchange Act Rule 15c3-1. Each Market Maker which is a Clearing Member shall also maintain net capital sufficient to comply with the requirements of the Clearing Corporation. This equity requirement, as well as all other provisions of the section (including capital maintenance requirements), applies to each Market Maker account, without regard to the number of Market Maker accounts per firm. The term "net liquidating equity" means the sum of positive cash balances and long securities positions less negative cash balances and short securities positions.

(b) Each Market Maker that makes an arrangement to finance his transactions as a Market Maker must identify in writing to the Exchange the source of the financing and its terms. The Exchange must be informed immediately of the intention of any party to terminate or change any such arrangement.

Rule 22.10. Mass Cancellation of Trading Interest

A User may simultaneously cancel all or a subset of its bids, offers, and orders in all series of options or in all options for a specified underlying security by requesting the Exchange to effect such cancellation. A User may also request that the Exchange block all or a subset of its new inbound bids, offers, and orders in all series of options or in all options for a specified underlying security. The block will remain in effect until the User requests the Exchange remove the block.

Rule 22.11. Order Exposure Requirements

With respect to orders routed to MX2 Options, Options Members may not execute as principal orders they represent as agent unless (a) agency orders are first exposed on MX2 Options for at least one (1) second or (b) the Options Member has been bidding or offering on MX2 Options for at least one (1) second prior to receiving an agency order that is executable against such bid or offer.

Interpretations and Policies

.01 This Rule prevents Options Members from executing agency orders to increase its economic gain from trading against the order without first giving other trading interest on MX2 Options an opportunity to either trade with the agency order or to trade at the execution price when the Options Member was already bidding or offering on the book. However, the Exchange recognizes that it may be possible for an Options Member to establish a relationship with a customer or other person to deny agency orders the opportunity to interact on MX2 Options and to realize similar economic benefits as it would achieve by executing agency orders as principal. It will be a violation of this Rule for an Options Member to be a party to any arrangement designed to circumvent this Rule by providing an opportunity for a customer to regularly execute against agency orders handled by the Options Member immediately upon their entry into MX2 Options.

.02 It will be a violation of this Rule for an Options Member to cause the execution of an order it represents as agent on MX2 Options against orders it solicited from Options Members and non-Options Member broker-dealers, whether such solicited orders are entered into MX2 Options directly by the Options Member or by the solicited party (either directly or through

another Options Member), if the Options Member fails to expose orders on MX2 Options as required by this Rule.

.03 With respect to non-displayed trading interest, including the reserve portion of a Reserve Order, the exposure requirement of subsection (a) of this Rule is satisfied if the displayable portion of the order is displayed at its displayable price for one second.

.04 Prior to or after submitting an order to MX2 Options, an Options Member cannot inform another Options Member or any other third party of any of the terms of the order.

CHAPTER 23. EXERCISES AND DELIVERIES

The rules contained in MEMX Chapter 23, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 23 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 23 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

CHAPTER 24. RECORDS, REPORTS AND AUDITS

The rules contained in MEMX Chapter 24, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 24 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 24 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

CHAPTER 25. DISCIPLINE AND SUMMARY SUSPENSIONS

Rule 25.1. Suspensions

The provisions of Chapter 7 (Suspension by Chief Regulatory Officer), Chapter 8 (Discipline), Chapter 9 (Arbitration), and Chapter 10 (Adverse Action) of the Exchange Rules shall be applicable to Options Members and trading on MX2 Options.

Rule 25.2. Contracts of Suspended Members

(a) When an Options Member, other than a Clearing Member, is suspended pursuant to the Rules in this Chapter, all open short positions of the suspended Options Member in options contracts and all open positions resulting from exercise of options contracts, other than positions that are secured in full by a specific deposit or escrow deposit in accordance with the Rules of the Clearing Corporation, shall be closed without unnecessary delay by all Options Members carrying such positions for the account of the suspended Options Member; provided that the Exchange may cause the foregoing requirement to be temporarily waived for such period as it may determine if it shall deem such temporary waiver to be in the interest of the public or the other Options Members of MX2 Options.

(b) No temporary waiver hereunder by the Exchange shall relieve the suspended Options Member of its obligations or of damages, nor shall it waive the close out requirements of any other Rules.

(c) When a Clearing Member is suspended pursuant to the Rules in this Chapter, the positions of such Clearing Member shall be closed out in accordance with the Rules of the Clearing Corporation.

Rule 25.3. Penalty for Minor Rule Violations

The following MX2 Options rule and policy violations may be determined by the Exchange to be minor in nature. If so, the Exchange may, with respect to any such violation, proceed under Rule 8.15 (Imposition of Fines for Minor Violation(s) of Rules) and impose the fine set forth below. The Exchange is not required to proceed under said Rules as to any rule violation and may, whenever such action is deemed appropriate, commence a disciplinary proceeding under Chapter 8 (Discipline) rules as to any such violation. A subsequent violation is calculated on the basis of a rolling 24-month period ("Period").

(a) Position Limit and Exercise Limit Violations.

Violations of Rule 18.7 (Position Limits) or Rule 18.9 (Exercise Limits) of these Rules shall be subject to the fines listed below.

Number of Violations Within One Period	**Fine Amount**
First Offense	$500

Second Offense	$1,000
Third Offense	$2,500
Fourth and Each Subsequent Offense	$5,000

* A violation that consists of (i) a 1 trade date overage, (ii) a consecutive string of trade date overage violations where the position does not change or where a steady reduction in the overage occurs, or (iii) a consecutive string of trade date overage violations resulting from other mitigating circumstances, may be deemed to constitute one offense, provided that the violations are inadvertent.

(b) Reports Related to Position Limits.

Violations of Rule 18.10 regarding the failure to accurately report position and account information shall be subject to the fines listed below.

Number of Violations Within One Period	**Fine Amount**
1	$500
2	$1,000
3	$2,500
4 or more	$5,000

(c) Market Maker Quoting Obligations.

Violations of Rule 22.6(b)-(d) regarding Market Maker initial quote volume requirements (Rule 22.6(b)), Market Maker two-sided quote requirements (Rule 22.6(c)) and Market Maker continuous bids and offers (Rule 22.6(d)) shall be subject to the fines listed below.

Number of Offenses Within One Period	**Fine Amount**
1	Letter of Caution
2	$1,500
3	$3,000
Subsequent Offenses	Formal Disciplinary Action

(d) Expiring Exercise Declarations.

(1) Non-Cash-Settled Equity Options. Violations of Rule 23.1(a) through (k) regarding expiring exercise declarations and the timely submission of "Advice Cancel" or exercise instruction relating to the exercise or non-exercise of non-cash-settled equity options shall be subject to the fines listed below.

Number of Violations Within One Period	Fine Amount	
	Individual	**Member Organization**
1	$500	$1,000
2	$1,000	$2,500
3 or more	$2,500	$5,000

(2) American-Style, Cash-Settled Index Options. Violations of Rule 23.1(l) regarding the failure to submit an Exercise Advice; the submission of an advice and no subsequent exercise; the submission of an Exercise Advice after the designated cutoff time; the submission of an Exercise Advice for an amount different than the amount exercised; and the time-stamping of an advice or exercise instruction memorandum prior to purchasing contracts shall be subject to the fines listed below.

Number of Violations Within One Period	Fine Amount
1	$500
2	$1,000
3	$2,500
4 or more	$5,000

(e) Requests for Trade Data.

Any Options Member who fails to respond within ten (10) business days to a request by the Exchange for submission of trade data pursuant to Rule 24.4 shall be subject to the fines listed below.

Number of Violations Within One Period	Fine Amount
1	$2,500
2 or more	$5,000 or Formal Disciplinary Action

(f) Consolidated Audit Trail Compliance Rules.

For failures to comply with the Consolidated Audit Trail Compliance Rule requirements of Rules 4.5 through 4.16, the Exchange may impose a minor rule violation fine of up to $2,500.

CHAPTER 26. DOING BUSINESS WITH THE PUBLIC

The rules contained in MEMX Chapter 26, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 26 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 26 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

CHAPTER 27. OPTIONS ORDER PROTECTION AND LOCKED AND CROSSED MARKETS RULES

The rules contained in MEMX Chapter 27, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 27 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 27 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

CHAPTER 28. MARGIN REQUIREMENTS

The rules contained in MEMX Chapter 28, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 28 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 28 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).

CHAPTER 29. INDEX RULES

The rules contained in MEMX Chapter 29, as such rules may be in effect from time to time, are hereby incorporated by reference into this Chapter. Members must comply with MEMX Chapter 19 as if such rules were part of the Rules. Unless the context dictates otherwise, the following terms, or any variations of these terms, from MEMX Chapter 19 have the following meaning for purposes of this Chapter: "Exchange" means "MX2"; and "Member" (i.e., MEMX Member) means "Member (i.e., MX2 Member).