

Additions: Underlined  
Deletions: [Bracketed]

**Rules of NYSE American LLC**

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**Equities Rules**

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**Cash Equities Pillar Platform Rules (Rules 1E—13E)**

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**RULE 7E EQUITIES TRADING**

**Section 1. General Provisions**

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**Rule 7.16E. Short Sales**

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(f) **Short Sale Price Test Pursuant to Rule 201 of Regulation SHO.** The following provisions will apply to short sales subject to the provisions of Rule 201 of Regulation SHO:

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(5) **Re-pricing of Orders during Short Sale Period.** During the Short Sale Period, short sale orders will be handled by Exchange systems as follows:

(A) **Re-pricing of Orders** — Except as provided for in paragraphs (f)(5)(B) - (J) of this Rule, short sale orders with a working price and/or display price equal to or lower than the NBB will have the working price and/or display price adjusted one minimum price increment above the current NBB (“Permitted Price”). The Permitted Price for securities for which the NBB is \$1 or more is \$.01 above the NBB; the Permitted Price for securities for which the NBB is below \$1 is \$.0001 above the NBB. To reflect declines in the NBB, the Exchange will continue to adjust the working price of a short sale order at the lowest Permitted Price down to the order's original limit price[, or if a Market Order, until the order is filled].

(B) **[Priority 1 and] Priority 3 Orders** — [Market Orders and o]Orders and reserve interest ranked Priority 3- Non-Display Orders will have a working price adjusted to a Permitted Price and will continuously adjust to a Permitted Price as the NBB

moves both up and down. Reserve interest that replenishes the displayed quantity of a Reserve Order will be replenished at a Permitted Price.

(C) **Priority 1 Orders** -- A Market Order will be ranked Priority 2 - Display Orders and will be subject to Trading Collars specified in Rule 7.31E(a)(1)(B)(i). If a Short Sale Period is triggered when an order ranked Priority 1 - Market Orders is resting on the Exchange Book, such resting order will be converted to an order ranked Priority 2 - Display Orders. If the Short Sale Period ends intraday, such order will be converted back to an order ranked Priority 1 - Market Orders. When ranked Priority 2 - Display Orders, such order will be:

(i) assigned a limit price of one MPV above \$0.00;

(ii) assigned a working price and (during Core Trading Hours) a display price that is the higher of the Permitted Price or one MPV above the lower Trading Collar as determined under Rule 7.31E(a)(1)(B)(i); and

(iii) cancelled if the Permitted Price is or becomes lower than the Lower Price Band, as provided for in Rule 7.11E(a)(5).

[(C)](D) **Pegged Orders and MPL Orders** — Pegged Orders and MPL Orders, including orders marked buy, sell long and sell short exempt, will use the NBBO instead of the PBBO as the reference price. The working price of MPL Orders will be the mid-point of the NBBO, including situations where the mid-point is less than one minimum price increment above the NBB.

[(D)](E) **Tracking Orders** — The working price of Tracking Orders will not be adjusted. Tracking Orders will not be eligible to trade at or below the NBB.

[(E)](F) **IOC Orders** — Limit Orders designated IOC requiring that all or part of the order be traded immediately will be traded to the extent possible at a Permitted Price and higher and then cancelled, and the working price will not be adjusted.

[(F)](G) **ISO** — ISOs will be rejected if the limit price is at or below the NBB.

[(G)](H) **Cross Orders** — Cross Orders with a cross price at or below the NBB will be rejected.

[(H)](I) **Returned Orders** — If a Short Sale Price Test is triggered after an order has routed, any returned quantity of the order and the order it joins on the Exchange Book will be adjusted to a Permitted Price. If the order that was routed was a Reserve Order, the returned quantity of the order will first join the reserve interest at a Permitted Price before being evaluated for replenishing the display quantity of the Reserve Order.

~~(I)~~(J) ***Proactive if Locked/Crossed Modifier*** — Proactive if Locked/Crossed Modifiers will be ignored.

(7) **Short Exempt Orders.** During the Short Sale Period, Exchange systems will execute and display orders marked “short exempt” without regard to whether the order is at a Permitted Price. Exchange systems will accept orders marked “short exempt” at any time when such systems are open for order entry, regardless of whether the Short Sale Price Test has been triggered.

(8) Auctions. Notwithstanding subparagraph (f)(6) of this Rule, with respect to the execution of short sale orders in a covered security in any auction during the Short Sale Period, the Exchange will adjust the working price and display price of such short sale orders in a covered security to a Permitted Price before such auction. If such a short sale order is not executed in the applicable auction and is eligible to trade, it will be priced consistent with paragraph (f)(5)(A) of this Rule.

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**Rule 7.18E. Halts**

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(b) The Exchange will not conduct a Trading Halt Auction in a UTP Security and will process new and existing orders in a UTP Security during a UTP Regulatory Halt as follows:

(1) cancel any unexecuted portion of Market Orders, Non-Displayed Limit Orders, MPL Orders, Tracking Orders, and Pegged Orders and orders not eligible to trade in the current trading session on the Exchange Book;

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(c) The Exchange will process new and existing orders in securities listed on the Exchange during a halt, suspension or pause as follows:

(1) cancel any unexecuted portion of [Market Orders] Non-Displayed Limit Orders, MPL Orders, Tracking Orders, and Pegged Orders;

(2) maintain any unexecuted quantity of Market Orders;

(3) [maintain]re-price all other resting orders in the Exchange Book to their limit price[at their last working price and display price];

~~(3)~~(4) accept and process all cancellations;

[(4)](5) reject incoming Limit Orders designated IOC, Non-Displayed Limit Orders, MPL Orders, Cross Orders, Tracking Orders, and Pegged Orders [and process a request to cancel and replace a Tracking Order, or Pegged Order as a cancellation without replacing the order]; and

[(5)](6) accept all other incoming order instructions until the Auction Processing Period for the Trading Halt Auction, at which point, Rule 7.35E(g) will govern the entry of incoming orders and order instructions.

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### **Section 3. Exchange Trading**

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#### **Rule 7.31E. Orders and Modifiers**

##### **(a) Primary Order Types**

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(2) Limit Order. An order to buy or sell a stated amount of a security at a specified price or better. Unless otherwise specified, the working price and the display price of a Limit Order equal the limit price of the order, it is eligible to be routed, and it is ranked Priority 2 - Display Orders.

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(B) Limit Order Price Protection. A Limit Order to buy (sell) will be rejected if it is priced at or above (below) the greater of \$0.15 or a specified percentage away from the NBO (NBB). The specified percentage is equal to the corresponding “numerical guideline” percentage set forth in paragraph (c)(1) of Rule 7.10E (Clearly Erroneous Executions) for the Core Trading Session. The Limit Order Price Protection will not be applied to an incoming Limit Order to buy (sell) if there is no NBO (NBB). Limit Order Price Protection will be applied when an order is eligible to trade. A Limit Order entered before the Core Trading Session that is designated for the Core Trading Session only will become subject to Limit Order Price Protection after the Core Open Auction. A Limit Order in an Auction-Eligible Security entered during a trading halt or pause will not be subject to Limit Order Price Protection. Limit Order Price Protection for both buy and sell orders that are not in the minimum price variation (“MPV”) for the security, as defined in Rule 7.6E, will be rounded down to the nearest price at the applicable MPV.

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**Rule 7.34E. Trading Sessions**

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*(c) Orders Permitted in Each Session.*

(1) Early Trading Session. Unless otherwise specified in paragraphs (c)(1)(A) - ([E]F), orders and modifiers defined in Rule 7.31E that are designated for the Early Trading Session are eligible to participate in the Early Trading Session.

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(E) MOO Orders, MOC Orders, LOC Orders, and Primary Only Orders designated for the Early Trading Session will be rejected.

(F) Non-Displayed Limit Orders, Tracking Orders, and MPL Orders entered before the Auction Processing Period for the Early Open Auction concludes will be rejected.

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**Rule 7.35E. Auctions**

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(h) Transition to Continuous Trading. After auction processing concludes, including if there is no Matched Volume and an auction is not conducted or when transitioning from one trading session to another, the Exchange will transition to continuous trading following an auction or when transitioning from one trading session to another as follows:

(1) Orders that are no longer eligible to trade, either because they are Auction-Only Orders or not eligible for the next trading session, will expire.

(2) During the transition to continuous trading, order instructions will be processed as follows:

(A) An order instruction received during the Auction Imbalance Freeze, the transition to continuous trading, or the Auction Processing Period under paragraph (g)(1) of this Rule will be processed in time sequence with the processing of orders as specified in paragraphs (h)(3)(A) or (B) of this Rule if it relates to an order that was received before the Auction Processing Period or that has already transitioned to continuous trading. Any subsequent order instructions relating to such order will be rejected.

(B) An order instruction received during the transition to continuous trading will be

processed on arrival if it relates to an order that was entered during either the Auction Processing Period or the transition to continuous trading and such order has not yet transitioned to continuous trading.

- (3) When transitioning to continuous trading from a prior trading session or following an auction, orders will be processed as follows:
- (A) A quote will be published based on previously-live orders. For the Core Open Auction, Trading Halt Auction, and Closing Auction, “previously-live orders” are unexecuted orders that were eligible to trade in the trading session both before and after the transition or auction. For the IPO Auction, “previously-live orders” are unexecuted orders that were entered before the IPO Auction Processing Period began.
- (i) Before publishing a quote when transitioning from a prior trading session or following the Core Open Auction or Closing Auction: (1) previously-live orders that are marketable will be traded, routed, or cancelled in time sequence; (2) a new quote will be published only if different from the last-published quote; and (3) if the new published quote is worse than the previously-published quote and would lock or cross the PBBO, the display price of Limit Orders will be adjusted consistent with Rule 7.31E(a)(2)(C).
- (ii) Before publishing a quote following a Trading Halt Auction or IPO Auction: (1) previously-live Limit Orders that are designated with a Proactive if Locked/Crossed Modifier or that would be the result of reserve interest replenishing the [fully-executed] display quantity of a routable Reserve Order will route, if marketable against protected quotations on Away Markets; (2) for the Trading Halt Auction only, previously-live orders that are marketable against other orders in the Exchange Book and that would not trade through a protected quotation will trade; and (3) the display price of all other orders that are marketable against a protected quotation on an Away Market will be adjusted consistent with Rule 7.31E(a)(2)(C).
- (B) Next, unexecuted orders that (1) were not eligible to trade in the prior trading session, (2) [for a Trading Halt Auction, were received during a halt or pause, (3)] for the Early Open Auction, were received before the Early Open Auction Processing Period, or ([4]3) were received during the Auction Processing Period will be assigned a new working time at the end of the Auction Processing Period in time sequence relative to one another based on original entry time and will be processed in time sequence. Following an IPO Auction, previously-live orders that did not trade in the auction will retain the working time assigned at original entry time.
- (C) When processing orders, the display price and working price of an order will be adjusted based on the PBBO or NBBO, as provided for in Rule 7.31E.

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**Commentary:**

**.01** During a Short Sale Period (as defined in Rule 7.16E(f)):

(a) For purposes of pricing an auction and ranking orders for allocation in an auction, sell short Market Orders that are adjusted to a Permitted Price (as defined in Rule 7.16E(f)) will be processed as Limit Orders ranked Priority 2 - Display Orders and will not be included in the Market Imbalance.

(b) Sell short orders that are included in Auction Imbalance Information[, but are not eligible for continuous trading before the applicable auction,] will be adjusted to a Permitted Price as the NBB moves both up and down.

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**Rule 7.38E. Odd and Mixed Lots**

(a) *Order Types.* Rules 7.31E specifies whether an order may not be entered as an odd lot or mixed lot.

(b) *Ranking and Execution.* Round lot, mixed lot and odd lot orders are treated in the same manner in the Exchange, provided that:

(1) The working and display price of an odd lot order will be adjusted both on arrival and when resting on the Exchange Book as follows: [based on the limit price of the order.]

(A) If the limit price of an odd lot order to buy (sell) is at or below (above) the PBO (PBB), it will have a working and display price equal to the limit price.

(B) If the limit price of an odd lot order to buy (sell) is above (below) the PBO (PBB), it will have a working price equal to the PBO (PBB). The display price will also be adjusted to the PBO (PBB) unless the order's instruction requires a display price that is different from the PBBO.

(C) If [the limit price of an odd lot order to buy (sell) is above (below) the PBO (PBB) and] the PBBO is locked or crossed and the limit price of an odd lot order to buy (sell) is above (below) the PBO (PBB), it will have a working and display price equal to the PBB (PBO). The working and display price of such odd lot order will not be adjusted again until the PBBO unlocks or uncrosses. [An odd-lot order ranked Priority Category 2 - Display Orders will not be assigned a new working time if its working price is adjusted under this Rule. If the display price of an odd lot order to buy (sell) is above (below) its working price, it will be ranked based on its display price.]

(2) For an order that is partially routed to an Away Market on arrival, if any returned quantity of the order joins resting odd-lot quantity of the original order and the returned and resting quantity, either alone or together with other odd-lot orders, would be displayed as a new BBO, both the returned and resting quantity will be assigned a new working time.

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