

Additions underlined  
Deletions [bracketed]

NYSE Arca, Inc.

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Rules of NYSE Arca, Inc.

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**Rule 3.2. Options Committees**

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(b) *Options Committees.* As set forth below, the Board of Directors has delegated certain authority and functions to its committees. Action taken pursuant to delegated authority, however, is subject to review, ratification or rejection by the Board of Directors.

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(2) *Nominating Committee.*

(A) *Composition.* The Nominating Committee shall have six members consisting of six OTP Holders or Allied Persons or Associated Persons of an OTP Firm.

(B) *Appointment.* The Board of Directors of NYSE Arca, Inc. shall appoint members of the Nominating Committee.

(C) *Representatives to the Board of Directors of the NYSE Arca, Inc.*

(i) *Initial Board of Directors of Reorganized Exchange.* The initial Directors of the reorganized Exchange shall consist of individuals nominated by the Nominating Committee of the existing Exchange in consultation with the Chief Executive Officer and approved by the Board of [Governors]Directors of the existing Exchange.

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Rules of the NYSE Arca Equities, Inc.

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**RULE 1 DEFINITIONS**

**Rule 1.1. Definitions**

Whenever and wherever used herein, unless the context requires otherwise, the following terms shall be deemed to have the meanings indicated:

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**ETP Holder**

(n) The term "ETP Holder" shall refer to a sole proprietorship, partnership, corporation, limited liability company or other organization in good standing that has been issued an ETP. An ETP Holder must be a registered broker or dealer pursuant to Section 15 of the Securities Exchange Act of 1934. An ETP Holder shall agree to be bound by the Certificate of Incorporation, Bylaws and Rules of the Corporation, and by all applicable rules and regulations of the Securities and Exchange Commission.

An ETP Holder shall not have ownership or distribution rights in the Corporation. An ETP Holder will have limited voting rights to nominate two Directors to the Corporation's Board of Directors and one [Governor]Director to the Board of [Governors]Directors of the NYSE Arca Parent. An ETP Holder will have status as a "member" of the NYSE Arca Parent as that term is defined in Section 3 of the Securities Exchange Act of 1934, as amended.

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**Rule 3.2. Equity Committees**

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(b) *Equity Committees.* As set forth below, the Board of Directors has delegated certain authority and functions to its committees. Action taken pursuant to delegated authority, however, is subject to review, ratification or rejection by the Board of Directors.

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(2) *Nominating Committee.*

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(C) *Representatives to the Board of Directors of the Corporation and the Board of Directors of the NYSE Arca, Inc.*

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(ii) *Selection of Nominees.* In the event that the number of nominees exceeds the number of available seats, the Nominating Committee shall submit the contested nomination(s) to the ETP Holders for selection. ETP Holders shall be afforded a confidential voting procedure and shall be given no less than 20 calendar days to submit their votes. Each ETP Holder in good standing may select two nominees for contested seats on the Board of Directors of the Corporation and one nominee for contested seats on the Board of Directors of the NYSE Arca, Inc.; *provided, however* that no ETP Holder, either alone or together with other ETP Holders who are deemed its affiliates, may account for more than 20% of the votes cast for a particular nominee for the ETP Holders' position on the Board of Directors of the Corporation or the Board of Directors of the NYSE Arca, Inc. With respect to contested positions, the two nominees for the Board of Directors of the Corporation and the nominee for the Board of Directors of the NYSE Arca, Inc. receiving the most votes of ETP Holders shall be submitted by the Nominating Committee to the Board of Directors of the Corporation or the Board of Directors of the NYSE Arca, Inc., as the case may be. Similarly, the Nominating Committee shall submit uncontested nominees to the Board of Directors of the Corporation or the Board of [Governors]Directors of [the ]NYSE Arca, Inc., as the case may be. Tie votes shall be decided by the respective Board of Directors at its first meeting following the election.

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**Rule 10.3. Ex Parte Communications**

(a) Prohibited Communications. Unless on adequate notice and reasonable opportunity for all parties to participate:

(1) No person who is a subject of a pending investigation by the Corporation ("Subject") or a Respondent in a pending disciplinary proceeding, or counsel for or a representative of the Subject or the Respondent, or any interested Corporation staff, with knowledge of a pending investigation or disciplinary proceeding, may make or knowingly cause to be made an ex parte communication, as defined below, relevant to the facts or allegations of the investigation or the disciplinary proceeding to: (a) a member of the Board of Directors; (b) a person who advises the Board of Directors; (c) any member of the Corporation's Regulatory Staff that is not participating in the resolution of the investigation or the disciplinary proceeding; (d) a member of the Business Conduct Committee or CFR; or (e) a member of the NYSE Arca Board of Directors.

(2) No person who is a member of the Business Conduct Committee or Conduct Panel

with knowledge of a pending investigation or disciplinary proceeding, or any interested Corporation staff, may make or knowingly cause to be made an ex parte communication, as defined below, relevant to the facts or allegations of the investigation or the disciplinary proceeding to: (a) a member of the Board of Directors; (b) a person who advises the Board of Directors; (c) any member of the Corporation's Regulatory Staff; (d) the Subject of a pending investigation by the Corporation or a Respondent in a pending disciplinary proceeding, or counsel for or a representative of the Subject or the Respondent; or (e) a member of the NYSE Arca Board of [Governors]Directors.

(3) No person who is a member of the Board of Directors, or any person who advises the Board of Directors, or any interested Corporation staff, with knowledge of a pending investigation or disciplinary proceeding, may knowingly make or cause to be made an ex parte communication, as defined below, relevant to the facts or allegations of the investigation or the disciplinary proceeding to: (a) any member of the Corporation's Regulatory Staff; (b) the Subject of a pending investigation by the Corporation or a Respondent in a pending disciplinary proceeding, or counsel for or a representative of the Subject or the Respondent; (c) a member of the Business Conduct Committee; or (d) a member of the NYSE Arca Parent Board of [Governors]Directors.

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**Rule 10.8. Review**

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(c) Either the Complainant or the Respondent may request a review of the decision of the Review Board by the NYSE Arca Board of [Governors]Directors within fifteen (15) calendar days after service of notice of a decision made pursuant to Rule 10.8(b). Such petition shall be in writing and shall specify the findings and conclusions to which exceptions are taken together with reasons for such exceptions. Any objections to a decision not specified by written exception shall be considered to have been abandoned. Respondent shall submit a filing fee of five hundred dollars (\$500) with its request for review. The NYSE Arca Board of [Governors]Directors may waive such filing fee upon a showing of hardship or other compelling reason. If the decision is overruled in whole, the filing fee shall be refunded. If the decision is overruled in part as a result of Respondent's request for review, refund of the filing fee, or any portion thereof, shall be in the discretion of the NYSE Arca Board of [Governors]Directors.

(d) The NYSE Arca Board of [Governors]Directors may, on its own initiative, order review of a decision made by the Review Board within 30 days after notice of the decision has been served on the Respondent. If the NYSE Arca Board of [Governors]Directors does not order review of a decision of the Review Board, the decision of the Review Board shall become final.

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**Rule 10.13. Hearings and Review of Decisions**

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(k) Petition. The decision of the Hearing Panel shall be subject to review by the NYSE Arca Board of [Governors]Directors either on its own motion within thirty (30) calendar days after issuance, upon written request submitted by the applicant, by the Chief Executive Officer of the Corporation, or by the Chairperson of the committee whose action was subject to the prior review, within fifteen (15) calendar days after issuance of the decision. Such petition shall be in writing and shall specify the findings and conclusions to which exceptions are taken together with the reasons for such exceptions. Only written exceptions shall be considered. The NYSE Arca Board of [Governors]Directors, or committee of the NYSE Arca Board of [Governors]Directors, shall have sole discretion to allow oral argument.

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**RULE 14 PLAN OF DELEGATION OF FUNCTIONS BY THE NYSE ARCA, INC. TO NYSE ARCA EQUITIES, INC.**

**Rule 14.1. NYSE Arca, Inc.**

The NYSE Arca, Inc. ("NYSE Arca"), the registered national securities exchange, is the parent company of the wholly-owned subsidiary NYSE Arca Equities Inc. ("NYSE Arca Equities"). The term "Exchange" shall refer to the NYSE Arca and NYSE Arca Equities collectively.

(a) *Functions and Authority of the NYSE Arca.* The NYSE Arca shall have ultimate responsibility for the rules and regulations of the Exchange and its operation and administration. As set forth below in Rule 14.2(a), the NYSE Arca has delegated certain authority and functions to NYSE Arca Equities. Actions taken pursuant to delegated authority, however, remain subject to review, ratification or rejection by the NYSE Arca Board of [Governors]Directors ("NYSE Arca Board") in accordance with procedures established by that Board. Any function or responsibility as a registered national securities exchange under the Securities Exchange Act of 1934 ("Act"), or as set forth in the Certificate of Incorporation, the Constitution or the NYSE Arca Rules is hereby reserved, except as expressly delegated to NYSE Arca Equities. In addition, the NYSE Arca expressly retains the following authority and functions:

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