

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFS website.

Form 19b-4 Information (required)

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change (required)

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of the Proposed Rule Change

- (a) NYSE MKT LLC (“NYSE MKT” or the “Exchange”), on behalf of NYSE Amex Options LLC (“NYSE Amex Options”), proposes to amend the NYSE Amex Options Fee Schedule (“Fee Schedule”) to remove dividend spreads from the list of strategy executions for which fee caps apply. The proposed fee change will be operative on November 1, 2012. The amended section of the Fee Schedule is included as Exhibit 5 hereto. A copy of this filing is available on the Exchange’s website at www.nyse.com, at the Exchange’s principal office and at the Public Reference Room of the Securities and Exchange Commission (“Commission”).
- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.
- (c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with respect to the proposed rule change are complete.

The person on the Exchange staff prepared to respond to questions and comments on the proposed rule change is:

Michael Cavalier
Chief Counsel
NYSE Euronext
(212) 656-2474

3. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) Purpose

The Exchange proposes to amend its Fee Schedule to remove dividend spreads from the list of strategy executions for which fee caps apply. The proposed fee change will be operative on November 1, 2012.

Under the Exchange’s current Fee Schedule, there is a \$750 cap on transaction fees for strategy executions involving (a) reversals and conversions,¹ (b) dividend

¹ A “reversal” is established by combining a short security position with a short put and a long call position that shares the same strike and expiration. A

spreads,² (c) box spreads,³ (d) short stock interest spreads,⁴ (e) merger spreads,⁵ and (f) jelly rolls⁶ (“Strategy Executions”). The cap applies to each Strategy Execution executed on the same trading day in the same option class. Transaction fees for Strategy Executions are further capped at \$25,000 per month per initiating firm. Manual Broker Dealer and Firm Proprietary Strategy trades that do not reach the \$750 cap are billed at \$0.25 per contract.⁷

The Exchange proposes to remove dividend spreads from the list of Strategy Executions that are subject to the fee caps. The fee caps may provide an incentive to engage in the Strategy Executions. The Exchange has determined that it does not wish to continue to provide an incentive via its Fee Schedule to engage in

“conversion” is established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration.

² A “dividend spread” is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed prior to the date on which the underlying stock goes ex-dividend.

³ A “box spread” is defined as transactions involving a long call option and a short put option at one strike, combined with a short call option and long put at a different strike, to create synthetic long and synthetic short stock positions, respectively.

⁴ A “short stock interest spread” is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class.

⁵ A “merger spread” is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, each executed prior to the date on which shareholders of record are required to elect their respective form of consideration, i.e., cash or stock.

⁶ A “jelly roll” is created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position.

⁷ All Royalty fees associated with Strategy Executions on Index and Exchange Traded Funds are passed through to trading participants on the Strategy Executions on a pro-rata basis. These Royalty fees are not included in the calculation of the \$750 per trade cap or the \$25,000 per month strategy fee cap. FLEX Option trades also are not eligible for strategy treatment. In addition, any qualifying Strategy Execution executed as a Qualified Contingent Cross order is ineligible for the fee caps.

dividend spread trading because this strategy may encourage high volumes of trading of certain securities near the ex-dividend date and present operational risks to market participants with respect to clearing, exercise, and assignment or other issues that may prevent the market participant from the timely exercise of call options and collecting the dividend owed. As such, the Exchange proposes to remove dividend spreads from the Strategy Executions fee caps.

The Exchange also proposes to specify that, as a result of removing dividend spreads from the list of Strategy Executions that are subject to the fee caps, the type of execution that the Exchange currently considers to be a dividend spread⁸ would no longer be excluded when determining whether certain other caps and thresholds that exclude Strategy Executions have been satisfied, as described in the Fee Schedule. This would apply to (i) the \$350,000 cap and the volume threshold of 3,500,000 contracts described in endnote 5 in the Fee Schedule (ii) the \$100,000 fee cap described in endnote 6 of the Fee Schedule, (iii) the 75% volume threshold related to Market Maker ATP fees, (iv) the 120,000 average daily volume (“ADV”) threshold related to Customer Electronic ADV Tiers, and (v) the 120,000 and 200,000 volume thresholds described in endnote 17 of the Fee Schedule as well as the rebate referenced therein.⁹ Currently, all Strategy Executions, including dividend spreads, are excluded from these fee caps and volume thresholds. However, because dividend spreads would no longer be considered a Strategy Execution for purposes of billing on the Exchange, the caps and thresholds would no longer exclude such executions. However, the Exchange does not anticipate that this would result in a significant amount of such executions occurring on the Exchange. In this regard, the Exchange believes that the elimination of the \$750 fee cap would eliminate the incentive for market participants to effect such executions on the Exchange.

The proposed change is not otherwise intended to address any other matter, and the Exchange is not aware of any significant problem that the affected market participants would have in complying with the proposed change.¹⁰

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),¹¹ in general, and furthers

⁸ See supra note 2.

⁹ The Exchange proposes to remove references to dividend spreads from endnotes 5 and 6.

¹⁰ The Exchange is proposing a minor non-substantive change to the Fee Schedule to correct the grammar of the existing text therein.

¹¹ 15 U.S.C. 78f(b).

the objectives of Section 6(b)(4) of the Act,¹² in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed change is reasonable because the fee caps may provide an incentive to engage in dividend spreads and the Exchange has determined that it no longer wishes to offer any potential incentive via its Fee Schedule in light of the operational risks that dividend spreads may present. The Exchange also believes that the proposed change is equitable and not unfairly discriminatory because it would apply equally to all market participants and because the remaining Strategy Executions that would continue to be subject to the fee caps do not present the same type of potential operational risks.

Furthermore, it is reasonable to specify that the type of execution that the Exchange currently considers to be a dividend spread¹³ would no longer be excluded from the fee caps and volume thresholds described in the Fee Schedule. Specifically, because dividend spreads would no longer be considered a Strategy Execution for purposes of billing on the Exchange, the fee caps and volume thresholds would no longer exclude such executions. However, the Exchange does not anticipate that this would result in a significant amount of such executions occurring on the Exchange. In this regard, the Exchange believes that the elimination of the \$750 fee cap would eliminate the incentive for market participants to effect such executions on the Exchange. This would also be equitable and not unfairly discriminatory because it would not differentiate between any particular market participants when determining whether the fee caps and volume thresholds have been reached with respect to the inclusion of the type of execution that the Exchange currently considers to be a dividend spread.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

4. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

¹² 15 U.S.C. 78f(b)(4).

¹³ See supra note 2.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act¹⁴ because it establishes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

8. Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is not based on the rules of another self-regulatory organization or of the Commission.

9. Exhibits

Exhibit 1 – Form of Notice of Proposed Rule Change for Publication in the Federal Register

Exhibit 5 – Amendment to the Exchange's Fee Schedule

¹⁴ 15 U.S.C. 78s(b)(3)(A)(ii).

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-NYSEMKT-2012-57)

[Date]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Implementing to Amend the NYSE Amex Options Fee Schedule to Remove Dividend Spreads from the List of Strategy Executions

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on October 24, 2012, NYSE MKT LLC (the “Exchange” or “NYSE MKT”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the NYSE Amex Options Fee Schedule (“Fee Schedule”) to remove dividend spreads from the list of strategy executions for which fee caps apply. The text of the proposed rule change is available on the Exchange’s website at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

¹ 15 U.S.C.78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Fee Schedule to remove dividend spreads from the list of strategy executions for which fee caps apply. The proposed fee change will be operative on November 1, 2012.

Under the Exchange's current Fee Schedule, there is a \$750 cap on transaction fees for strategy executions involving (a) reversals and conversions,⁴ (b) dividend spreads,⁵ (c) box spreads,⁶ (d) short stock interest spreads,⁷ (e) merger spreads,⁸ and (f)

⁴ A "reversal" is established by combining a short security position with a short put and a long call position that shares the same strike and expiration. A "conversion" is established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration.

⁵ A "dividend spread" is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed prior to the date on which the underlying stock goes ex-dividend.

⁶ A "box spread" is defined as transactions involving a long call option and a short put option at one strike, combined with a short call option and long put at a different strike, to create synthetic long and synthetic short stock positions,

jelly rolls⁹ (“Strategy Executions”). The cap applies to each Strategy Execution executed on the same trading day in the same option class. Transaction fees for Strategy Executions are further capped at \$25,000 per month per initiating firm. Manual Broker Dealer and Firm Proprietary Strategy trades that do not reach the \$750 cap are billed at \$0.25 per contract.¹⁰

The Exchange proposes to remove dividend spreads from the list of Strategy Executions that are subject to the fee caps. The fee caps may provide an incentive to engage in the Strategy Executions. The Exchange has determined that it does not wish to continue to provide an incentive via its Fee Schedule to engage in dividend spread trading because this strategy may encourage high volumes of trading of certain securities near the ex-dividend date and present operational risks to market participants with respect to clearing, exercise, and assignment or other issues that may prevent the market participant

respectively.

⁷ A “short stock interest spread” is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class.

⁸ A “merger spread” is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, each executed prior to the date on which shareholders of record are required to elect their respective form of consideration, i.e., cash or stock.

⁹ A “jelly roll” is created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position.

¹⁰ All Royalty fees associated with Strategy Executions on Index and Exchange Traded Funds are passed through to trading participants on the Strategy Executions on a pro-rata basis. These Royalty fees are not included in the calculation of the \$750 per trade cap or the \$25,000 per month strategy fee cap. FLEX Option trades also are not eligible for strategy treatment. In addition, any qualifying Strategy Execution executed as a Qualified Contingent Cross order is ineligible for the fee caps.

from the timely exercise of call options and collecting the dividend owed. As such, the Exchange proposes to remove dividend spreads from the Strategy Executions fee caps.

The Exchange also proposes to specify that, as a result of removing dividend spreads from the list of Strategy Executions that are subject to the fee caps, the type of execution that the Exchange currently considers to be a dividend spread¹¹ would no longer be excluded when determining whether certain other caps and thresholds that exclude Strategy Executions have been satisfied, as described in the Fee Schedule. This would apply to (i) the \$350,000 cap and the volume threshold of 3,500,000 contracts described in endnote 5 in the Fee Schedule (ii) the \$100,000 fee cap described in endnote 6 of the Fee Schedule, (iii) the 75% volume threshold related to Market Maker ATP fees, (iv) the 120,000 average daily volume (“ADV”) threshold related to Customer Electronic ADV Tiers, and (v) the 120,000 and 200,000 volume thresholds described in endnote 17 of the Fee Schedule as well as the rebate referenced therein.¹² Currently, all Strategy Executions, including dividend spreads, are excluded from these fee caps and volume thresholds. However, because dividend spreads would no longer be considered a Strategy Execution for purposes of billing on the Exchange, the caps and thresholds would no longer exclude such executions. However, the Exchange does not anticipate that this would result in a significant amount of such executions occurring on the Exchange. In this regard, the Exchange believes that the elimination of the \$750 fee cap would eliminate the incentive for market participants to effect such executions on the Exchange.

¹¹ See supra note 5.

¹² The Exchange proposes to remove references to dividend spreads from endnotes 5 and 6.

The proposed change is not otherwise intended to address any other matter, and the Exchange is not aware of any significant problem that the affected market participants would have in complying with the proposed change.¹³

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”),¹⁴ in general, and furthers the objectives of Section 6(b)(4) of the Act,¹⁵ in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

The Exchange believes that the proposed change is reasonable because the fee caps may provide an incentive to engage in dividend spreads and the Exchange has determined that it no longer wishes to offer any potential incentive via its Fee Schedule in light of the operational risks that dividend spreads may present. The Exchange also believes that the proposed change is equitable and not unfairly discriminatory because it would apply equally to all market participants and because the remaining Strategy Executions that would continue to be subject to the fee caps do not present the same type of potential operational risks.

¹³ The Exchange is proposing a minor non-substantive change to the Fee Schedule to correct the grammar of the existing text therein.

¹⁴ 15 U.S.C. 78f(b).

¹⁵ 15 U.S.C. 78f(b)(4).

Furthermore, it is reasonable to specify that the type of execution that the Exchange currently considers to be a dividend spread¹⁶ would no longer be excluded from the fee caps and volume thresholds described in the Fee Schedule. Specifically, because dividend spreads would no longer be considered a Strategy Execution for purposes of billing on the Exchange, the fee caps and volume thresholds would no longer exclude such executions. However, the Exchange does not anticipate that this would result in a significant amount of such executions occurring on the Exchange. In this regard, the Exchange believes that the elimination of the \$750 fee cap would eliminate the incentive for market participants to effect such executions on the Exchange. This would also be equitable and not unfairly discriminatory because it would not differentiate between any particular market participants when determining whether the fee caps and volume thresholds have been reached with respect to the inclusion of the type of execution that the Exchange currently considers to be a dividend spread.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

¹⁶ See supra note 5.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A)¹⁷ of the Act and subparagraph (f)(2) of Rule 19b-4¹⁸ thereunder, because it establishes a due, fee, or other charge imposed by the NYSE MKT.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-NYSEMKT-2012-57 on the subject line.

¹⁷ 15 U.S.C. 78s(b)(3)(A).

¹⁸ 17 CFR 240.19b-4(f)(2).

Paper comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEMKT-2012-57. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Section, 100 F Street, NE, Washington, DC 20549-1090. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet website at www.nyse.com. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NYSEMKT-2012-57 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁹

¹⁹ 17 CFR 200.30-3(a)(12).

Kevin M. O'Neill
Deputy Secretary

EXHIBIT 5

Additions underscored
 Deletions [bracketed]

NYSE AMEX OPTIONS FEE SCHEDULE*

*NYSE Amex Options is the options trading facility of NYSE MKT LLC

NYSE AMEX OPTIONS: TRADE-RELATED CHARGES**TRANSACTION FEE/CREDIT - PER CONTRACT**

Order Type	Rate Per Contract
Specialists, eSpecialists ⁵	\$0.13
Specialist, eSpecialists with 50,000 or more contracts ADV each day in a month ⁵	\$0.10
NYSE Amex Options Market Maker – Non Directed ⁵	\$0.20
NYSE Amex Options Market Maker – Non Directed with 50,000 or more contracts ADV each day in a month ⁵	\$0.17
NYSE Amex Options Market Maker – Directed ⁵	\$0.18
NYSE Amex Options Market Maker – Directed with 50,000 or more contracts ADV each day in a month ⁵	\$0.15
NYSE Amex Options Directed Market Maker, NYSE Amex Options Non Directed Market Maker, Specialist or eSpecialist – Electronic Complex Order Executions in SPY options only ⁵	\$0.10

Non BD Customer Manual	\$0.00
Firm Proprietary Electronic ⁶	\$0.20
Firm Proprietary Manual ⁶	\$0.25
Firm Facilitation ⁶	\$0.00

NYSE AMEX OPTIONS: QUALIFIED CONTINGENT CROSS (“QCC”) FEES

Fee/Rebate	Rate Per Contract

Order Fee for Specialists and eSpecialists that execute fewer than 50,000 contracts ADV each day in a month ⁵	\$0.13
Order Fee for Specialists and eSpecialists that execute 50,000 or more contracts ADV each day in a month ⁵	\$0.10
Service Fee for Firms, Specialists, e-Specialists, and Market Makers (both Directed and non-Directed) Exceeding Monthly Fee Cap Trading with non-Customers ^{5,6}	\$0.05
Service Fee for Firms, Specialists, e-Specialists, and Market Makers (both Directed and non-Directed) Exceeding Monthly Fee Cap Trading with Customers ^{5,6}	\$.10

<p>LIMIT OF FEES ON OPTIONS STRATEGY EXECUTIONS</p>	<p>\$750 cap on transaction fees for Strategy Executions involving (a) reversals and conversions, (b) [dividend spreads, (c)] box spreads, ([d]c) short stock interest spreads, ([e]d) merger spreads, and ([f]e) jelly rolls.⁸ The cap applies to all Strategy Executions executed on the same trading day in the same option class. Transaction fees for Strategy Executions are further capped at \$25,000 per month per initiating firm. All Royalty fees associated with Strategy Executions on Index and Exchange Traded Funds will be passed through to trading participants on the Strategy Executions on a pro-rata basis. These Royalty fees will not be included in the calculation of the \$750 per trade cap or the \$25,000 per month strategy fee cap. Manual Broker Dealer and Firm Proprietary Strategy trades that do not reach the \$750 cap will be billed at \$0.25 per contract. FLEX Option trades are not eligible for strategy treatment. Any qualifying Strategy Execution executed as a Qualified Contingent Cross order will not be eligible for this fee cap.</p>
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⁵ Specialist, eSpecialist, and Market Maker (both Directed and non-Directed) fees will be aggregated and capped at \$350,000 per month plus an incremental service fee of \$.01 per contract for all Specialist, eSpecialist and Market Maker volume executed in excess of 3,500,000 contracts per month, except for the execution of a QCC order against a non-Customer, in which case the incremental service fee is \$.05, or the execution of either a QCC order against a Customer or the execution of an Electronic Complex Order, in which case the incremental service fee is \$.10. Any fees or volume associated with a Strategy Trade (reversals and conversions, [dividend spreads,] box spreads, short stock interest spreads, merger spreads, and jelly rolls) will not be counted towards either the \$350,000 cap, or the volume threshold of 3,500,000 contracts. Royalty Fees will continue to be charged and do not count toward the \$350,000 fee cap. Specialist, eSpecialist, and Market Maker (both Directed and non-Directed) participants that execute 50,000 or more contracts ADV each day during the month will be eligible for the lower per contract rate described in the fee schedule under the section on “NYSE Amex Options: Trade-Related Charges.” In calculating this threshold of 50,000 or more contracts, the Exchange will exclude both Strategy Trades and QCC trades.

⁶ Firm Proprietary manual trades are those trades executed in open outcry on behalf of an ATP holder that clear in the firm range. The firm facilitation rate applies to trades that clear in the firm range (clearance account "F") and customer on the contra (clearance account "C") with the same clearing firm symbol on both sides of the trade. Fees for Firm Proprietary manual trades will be aggregated and capped at \$100,000 per month for member firms plus an incremental service fee of \$.01 per contract for all Firm Proprietary manual trading volume in excess of the cap, except for the execution of a QCC order against a non-Customer, in which case the incremental service fee is \$.05, and the execution of a QCC order against a Customer, in which case the incremental service fee is \$.10. Any fee or volume associated with a Strategy Execution (reversal and conversion, [dividend spread,] box spread, short stock interest spread, merger spread and jelly roll) will not be counted toward the \$100,000 cap. Royalty fees will continue to be charged at the rate provided herein and do not count toward the \$100,000 fee cap. Firm Facilitation trades will continue to be executed at the rate of \$0.00 per contract regardless of whether a firm has reached the \$100,000 cap or not, except for QCC volume in excess of the cap as noted above.

⁸ (a) Reversals and Conversions. A “reversal” is established by combining a short security position with a short put and a long call position that shares the same strike and expiration. A “conversion” is established by combining a long position in the underlying security with a long put and a short call position that shares the same strike and expiration.

(b) [Dividend Spread. A “dividend spread” is defined as transactions done to achieve a dividend arbitrage involving the purchase, sale and exercise of in-the-money options of the same class, executed prior to the date on which the underlying stock goes ex-dividend.

(c)] Box spread. A “box spread” is defined as transactions involving a long call option and a short put option at one strike, combined with a short call option and long put at a different strike, to create synthetic long and synthetic short stock positions, respectively.

([d]c) Short stock interest spread. A “short stock interest spread” is defined as transactions done to achieve a short stock interest arbitrage involving the purchase, sale and exercise of in-the-money options of the same class.

([e]d) Merger spread. A “merger spread” is defined as transactions done to achieve a merger arbitrage involving the purchase, sale and exercise of options of the same class and expiration date, each executed prior to the date on which shareholders of record are required to elect their respective form of consideration, i.e., cash or stock.

([f]e) Jelly rolls. A “jelly roll” is created by entering into two separate positions simultaneously. One position involves buying a put and selling a call with the same strike price and expiration. The second position involves selling a put and buying a call, with the same strike price, but with a different expiration from the first position.
