CUSTOMER BEST EXECUTION

CUBE

CUBE OFFERS ELECTRONIC PRICE IMPROVEMENT FOR SINGLE-LEG AND COMPLEX PAIRED ORDERS OF ANY SIZE

OVERVIEW

CUBE SUPPORTS AUCTIONS FOR PAIRED ORDERS

Paired orders consist of:

1. an initiating CUBE order and

2. an accompanying contra order

The initiating CUBE order may be any clearing capacity (Customer, Firm, Market Maker, etc.). The contra order may be any clearing capacity, except Customer.

The contra order must guarantee an execution within the allowable range as defined below by either matching or improving the limit price of the CUBE order. The contra order may be either facilitated by principal interest or solicited from a third party.

THE ACCOMPANYING CONTRA ORDER CAN:

1. Indicate a single stop price that guarantees an execution at the initiating price or better, or

2. Indicate an "auto-match limit" guarantee. The contra firm will match other auction respondents' volume at every improved price up to the limit; or

3. Indicate an "auto-match" guarantee. The contra firm will match other auction respondents' volume at every improved price (Single-Leg CUBE Only)

The contra order will receive a 40% guaranteed allocation subject to price improvement and priority rules as described in NYSE American Rules 971.1NY (Single-Leg CUBE) and Rule 971.2NY (Complex CUBE).

AUCTION PROCESS OVERVIEW

- Upon receipt of a CUBE order, a Request For Response ("RFR") message will be broadcast to all XDP Options subscribers announcing the auction

- The RFR message will disclose the price, side, and size of the CUBE order

- For Single-Leg CUBE: All orders and Market Maker quotes received during the auction are eligible to participate if they are marketable versus the initiating CUBE order

- For Complex CUBE: All complex orders received during the auction are eligible to participate if they are marketable versus the initiating CUBE order

- Orders sent in response to the RFR may also be marked with a "GTX" Time-In-Force

- The auction will end after a random duration between 100 and 105 milliseconds, unless an event causes an early conclusion to the auction

- RFR responses will be capped at the initiating order size and executed on a pro-rata basis. Customer account responses will take first priority at a price followed by all other responses.

GTX ORDERS

GTX is a special Time-In-Force designation that can be used for CUBE auction responses. GTX orders are:

- Valid for the duration of the auction (any unexecuted volume will cancel after the auction concludes)

- Can be submitted in $0.01 increments regardless of the standard series/strategy's MPV requirement

- Not disseminated to OPRA or via XDP

- Can only be submitted on the opposite side of the market of the initiating CUBE order

CUBE AUCTION START PRICE RULE

FOR SINGLE- LEG CUBE ORDERS SMALLER THAN 50 CONTRACTS:

Except as specified below, the auction start price on each side will be bound by:

1. the NBBO, if American is not already part of it; or

2. 0.01 inside the NBBO, if American is on the NBBO

Ex. If NBBO is 1.00 - 1.20 and American BBO is also 1.00 - 1.20, the allowable execution range will be 1.01 - 1.19

Ex. If the American BBO is inferior to the NBBO on both sides (e.g. 0.99 - 1.21), then the allowable execution range will be 1.00 - 1.20

A Single-Leg CUBE order submitted when the NBBO is $0.01 wide will be rejected unless the CUBE order is guaranteed price improvement (i.e. the CUBE order to buy (sell) is priced equal to the NBO minus one cent (NBB plus one cent).

Ex. If the NBBO is 1.00 - 1.01 at the time the CUBE Order is submitted, the CUBE Order to buy at $1.01 must be submitted with a contra order at $1.00 in order to commence an Auction

FOR SINGLE-LEG CUBE ORDERS OF 50 CONTRACTS OR GREATER:

The auction start price will be bound by the NBBO on each side; however, the initiating CUBE order must improve the American BBO by one cent if there is already Customer interest on the book.

Ex. If NBBO is 1.00 - 1.20, the allowable price range for a CUBE order to buy will also be 1.00 - 1.20 provided there is no American Customer on the 1.00 bid

Ex. If the NBBO is 1.00 - 1.20 and an American Customer is bidding 1.00, the allowable execution range will be 1.01 - 1.20

FOR COMPLEX CUBE ORDERS OF ANY SIZE:

The auction start price will be bound by a requirement to improve both:

1. The Complex BBO by 0.01; and
2. The Leg Market ("Derived") BBO by 0.01 times the smallest leg of the complex order strategy

Ex. Complex Symbol C1 = Sell 1 Jan 50 C/Buy 1 Jan 55 C
- Derived BBO for C1: -4.01 to 4.05
- Complex BBO for C1: -4.00 to 4.06

Complex CUBE Order:
- Cust1 Buy 700 C1 @ -$4.05

Complex Contra Order:
- Firm1 Sell 700 C1@ $4.02 Auto-match limit

CUBE RFR is broadcast identifying the complex order strategy, side and size, with an initiating price of -$4.04.

Permissible range of executions = -$4.02 to -$4.04

EARLY CONCLUSION OF AUCTIONS

SINGLE-LEG CUBE:
CUBE auctions will conclude early and the initiating order will be filled if, in the same series as the current auction:

- A new Single-Leg CUBE order arrives
- A new BBO on the same side as the Single-Leg CUBE order improves the initiating price
- A market order, marketable quote, or marketable limit order arrives (on either side)
- Sufficient interest to fill a resting AON order is received during the auction (the auction will conclude early and the CUBE Order will execute with priority; the AON order will then fill if sufficient size still remains)

COMPLEX CUBE:
CUBE auctions will conclude early and the initiating order will be filled if, in the same strategy as the current auction:

- A new Complex CUBE order arrives
- A new BBO on the same side as the Complex CUBE order improves the initiating price
- Interest is received that crosses the initiating CUBE order side boundary
- Interest is received to adjust the initiating CUBE order side boundary to cross an RFQ response
- An update to the leg market causes the contra-side boundary to improve more than the stop price or auto-match limit price
- Interest is received that adjusts the Initiating CUBE order side boundary to cross the single stop price specified by the initiating Participant. (This early end scenario would not apply to instances where the initiating Participant specified an auto-match limit price)

CONNECTIVITY

NYSE American Options offers streamlined access to multiple exchanges through one standard interface, the NYSE Arca FIX Gateway. For the latest spec including information for the enhanced testing environment, please visit https://www.nyse.com/connectivity/specs

PRICING

For details regarding CUBE pricing please refer to the NYSE American Options' Fee Schedule http://www.sec.gov/rules/sro/nysemkt/2014/34-72469.pdf

FURTHER INFORMATION

Please contact your Relationship Manager at: rmteam@nyse.com or (855) 898-9012 with any questions.