





1. Text of the Proposed Rule Change

- (a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) proposes to amend Rule 7.31-E (Orders and Modifiers) relating to Limit Orders.

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1, and the text of the proposed rule change is attached as Exhibit 5.

- (b) The Exchange does not believe that the proposed rule change will have any direct effect, or significant indirect effect, on the application of 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:

Le-Anh Bui  
Director, Associate General Counsel  
NYSE Group, Inc.  
(202) 661-8953

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 Rule 7.31-E (Orders and Modifiers) to provide for the operation of routable Limit Orders as Inside Limit Orders, unless otherwise specified.

Rule 7.31-E(a)(2) defines a Limit Order as 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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

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.

Rule 7.31-E(a)(2)(A) currently provides that a marketable Limit Order to buy (sell) will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) before routing to the PBO (PBB) and may route to prices higher (lower) than the PBO (PBB) only after trading with orders to sell (buy) on the NYSE Arca Book at each price point. Once no longer marketable, the Limit Order will be ranked and displayed on the NYSE Arca Book.

The Exchange proposes to amend Rule 7.31-E(a)(2)(A) so that the first sentence of the rule would provide that a marketable Limit Order will operate like an Inside Limit Order, as such order is described in Rule 7.31-E(a)(3), unless otherwise specified. The Exchange proposes to delete the remainder of current Rule 7.31-E(a)(2)(A) because, as proposed, Limit Orders would either behave as described in Rule 7.31-E(a)(3) or as specified elsewhere in Exchange rules.<sup>3</sup>

In addition, further to the proposed deletion of certain text in Rule 7.31-E(a)(2)(A) that describes the behavior of Limit Orders, the Exchange proposes to amend Rule 7.31-E(b)(2)(A) to ensure that this rule clearly describes the behavior of Limit IOC Orders. In Rule 7.31-E(b)(2)(A), the Exchange proposes to add text clarifying that a Limit IOC Order is a Limit Order to buy (sell) designated IOC, that is to be traded in whole or in part on the NYSE Arca Marketplace with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) as soon as such order is received. This proposed change does not reflect any change to this order type and is intended only to add clarity in this rule regarding how the order type currently functions.

Rule 7.31-E(a)(3) defines an Inside Limit Order as a Limit Order that is to be traded at the best price obtainable without trading through the NBBO. On arrival, a marketable Inside Limit Order to buy (sell) is assigned a working price of the NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the NBO (NBB) before routing to the NBO (NBB) on an Away Market. Once the NBO (NBB) is exhausted, the Inside Limit Order to buy (sell) will be displayed at its working price and be eligible to trade with incoming sell (buy) orders at that price. When the updated NBO (NBB) is displayed, the Inside Limit Order to buy (sell) will be assigned a new working price of the updated NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below the updated NBO (NBB) before routing to the updated NBO (NBB) on an Away Market. Such assessment will continue at each new NBO (NBB) until the order is filled, no longer marketable, or the limit price is reached. Once the order is no longer marketable, it will be ranked and displayed in the NYSE Arca Book. An Inside Limit Order may not be designated as a Limit IOC Order but may be designated as a Limit Routable IOC Order. An Inside Limit Order to buy (sell) designated as a Limit Routable IOC Order will trade with sell (buy) orders on the NYSE

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<sup>3</sup> For example, Rule 7.31-E(e)(1) and the subparagraphs thereunder describe the operation of a Non-Routable Limit Order. Because a Non-Routable Limit Order is not eligible to route, it will not behave as an Inside Limit Order and will continue to operate as specified in Rule 7.31-E(e)(1).

Arca Book priced at or below (above) the NBO (NBB) and the quantity not traded will be routed to the NBO (NBB). Any unfilled quantity not traded on the NYSE Arca Marketplace or an Away Market will be cancelled.

The purpose of the Inside Limit Order is to assess away market displayed interest on a price-by-price basis, thereby slowing down the routing of such order, rather than simultaneously routing an order to away markets at potentially multiple prices. For example, if the NBBO is \$10.10 by \$10.12, and the Exchange receives a Limit Order to buy with a limit price of \$10.15, in addition to executing with the interest on the NYSE Arca Book, the Exchange will route the balance of the order to all protected quotes, including quotes with an inferior price than the NBO (e.g., any protected offers priced at \$10.13 or higher), up to the limit order price of \$10.15. By contrast, an Inside Limit Order with a price of \$10.15 would be matched with interest on the NYSE Arca Book and routed only to away market interest priced at the NBO of \$10.12. After routing to the \$10.12 offer(s), Exchange systems will reevaluate the next best displayed offer price, and route to that single price point and continue such assessment at each price point until either the order has been filled, or there is no further interest available to satisfy the limit order price either at the Exchange or at away markets. The proposed change to have routable Limit Orders function as Inside Limit Orders, unless otherwise specified, is intended to offer market participants additional opportunities to obtain improved executions by waiting for changes to the NBBO.<sup>4</sup>

The following example illustrates how a routable Limit Order operates under current Exchange rules and how it would operate, as proposed:

Assume the offer on Away Market 1 is for 100 shares at \$10.12 and the offer on Away Market 2 is for 100 shares at \$10.15. Order 1 on the Exchange is a Limit Order to sell 100 shares at \$10.11. Order 2, a Limit Order to buy 300 shares at \$10.15, arrives at the Exchange.

Under current Exchange rules, Order 2 would trade with Order 1 for 100 shares at \$10.11, then route to Away Market 1 to trade 100 shares at \$10.12, then route to Away Market 2 to trade 100 shares at \$10.15.

As proposed, with Order 2 now operating like an Inside Limit Order, Order 2 would still first trade with Order 1 for 100 shares at \$10.11. Order 2 would then route to Away Market 1 to trade 100 shares at \$10.12, but the remaining 100 shares of Order 2 would be displayed on the NYSE Arca Book at \$10.12 instead of routing to trade on Away Market 2 at \$10.15.

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<sup>4</sup> The Exchange believes that another equities exchange's routable Limit Order similarly executes against previously posted orders on the exchange's book that are priced equal to or better than the price of the order and reprices to the NBBO (i.e., buy orders will be priced at the inside offer and displayed one tick lower than the inside offer, and sell orders will be priced at the inside bid and displayed one tick higher than the inside bid). See The Nasdaq Stock Market, Equity 4 Equity Trading Rules, Rule 4702(b)(1)(A) (defining Price to Comply Order).

Next, assume Away Market 1 updates its offer to 100 shares at \$10.13. Order 2 would now route to Away Market 1 to trade 100 shares at \$10.13, allowing it to execute at a better price than if it had routed to Away Market 2 to trade at \$10.15 instead of waiting for an updated away offer.

Because of the technology changes associated with the proposed change, the Exchange proposes to announce the implementation date of this change by Trader Update. Subject to approval of this proposed rule change, the Exchange anticipates that such change will be implemented before the end of the fourth quarter of 2026.

(b) Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>5</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>6</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is designed to remove impediments to and perfect the mechanism of a free and open market because modifying routable Limit Orders to function like Inside Limit Orders would promote additional opportunities for market participants' orders to obtain better execution prices. Specifically, because the orders would be routed to the best displayed price, and any unfilled portion would not be routed to the next best price level until all quotes at the current best bid or offer are updated, routable Limit Orders would, by default, be afforded additional opportunities to obtain improved executions by waiting for changes to the NBBO.

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. The proposed rule change is intended to enhance trading opportunities for market participants by modifying routable Limit Orders to behave as Inside Limit Orders. To the extent the proposed change facilitates improved execution opportunities for market participants, it could promote competition among equities exchanges by making the Exchange a more attractive venue for order execution.

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

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<sup>5</sup> 15 U.S.C. 78f(b).

<sup>6</sup> 15 U.S.C. 78f(b)(5).

change.

6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period specified in Section 19(b)(2)<sup>7</sup> of the Exchange Act.

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

Not applicable.

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

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Exchange Act

Not applicable.

10. Advance Notice Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

11. Exhibits

Exhibit 1 Completed Notice of Proposed Rule Change for publication in the Federal Register.

Exhibit 5 Text of Proposed Rule Change.

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<sup>7</sup> 15 U.S.C. 78s(b)(2).

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-NYSEARCA-2026-38)

[Date]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing of Proposed Rule Change to Amend Rule 7.31-E

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on April 15, 2026, NYSE Arca, Inc. (“NYSE Arca” or the “Exchange”) 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 Rule 7.31-E (Orders and Modifiers) relating to Limit Orders. The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com) and at the principal office of the Exchange.

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

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

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 Rule 7.31-E (Orders and Modifiers) to provide for the operation of routable Limit Orders as Inside Limit Orders, unless otherwise specified.

Rule 7.31-E(a)(2) defines a Limit Order as 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.

Rule 7.31-E(a)(2)(A) currently provides that a marketable Limit Order to buy (sell) will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) before routing to the PBO (PBB) and may route to prices higher (lower) than the PBO (PBB) only after trading with orders to sell (buy) on the NYSE Arca Book at each price point. Once no longer marketable, the Limit Order will be ranked and displayed on the NYSE Arca Book.

The Exchange proposes to amend Rule 7.31-E(a)(2)(A) so that the first sentence of the rule would provide that a marketable Limit Order will operate like an Inside Limit Order, as such order is described in Rule 7.31-E(a)(3), unless otherwise specified. The Exchange proposes to delete the remainder of current Rule 7.31-E(a)(2)(A) because, as proposed, Limit Orders would either behave as described in Rule 7.31-E(a)(3) or as specified elsewhere in Exchange rules.<sup>4</sup>

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<sup>4</sup> For example, Rule 7.31-E(e)(1) and the subparagraphs thereunder describe the operation of a Non-Routable Limit Order. Because a Non-Routable Limit Order is not eligible to route, it will not behave as an Inside Limit Order and will continue to operate as specified in Rule 7.31-E(e)(1).

In addition, further to the proposed deletion of certain text in Rule 7.31-E(a)(2)(A) that describes the behavior of Limit Orders, the Exchange proposes to amend Rule 7.31-E(b)(2)(A) to ensure that this rule clearly describes the behavior of Limit IOC Orders. In Rule 7.31-E(b)(2)(A), the Exchange proposes to add text clarifying that a Limit IOC Order is a Limit Order to buy (sell) designated IOC, that is to be traded in whole or in part on the NYSE Arca Marketplace with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) as soon as such order is received. This proposed change does not reflect any change to this order type and is intended only to add clarity in this rule regarding how the order type currently functions.

Rule 7.31-E(a)(3) defines an Inside Limit Order as a Limit Order that is to be traded at the best price obtainable without trading through the NBBO. On arrival, a marketable Inside Limit Order to buy (sell) is assigned a working price of the NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the NBO (NBB) before routing to the NBO (NBB) on an Away Market. Once the NBO (NBB) is exhausted, the Inside Limit Order to buy (sell) will be displayed at its working price and be eligible to trade with incoming sell (buy) orders at that price. When the updated NBO (NBB) is displayed, the Inside Limit Order to buy (sell) will be assigned a new working price of the updated NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below the updated NBO (NBB) before routing to the updated NBO (NBB) on an Away Market. Such assessment will continue at each new NBO (NBB) until the order is filled, no longer marketable, or the limit price is reached. Once the order is no longer marketable, it will be ranked and displayed in the NYSE Arca Book. An Inside Limit Order may not be designated as a Limit IOC Order but may be designated as a Limit Routable IOC Order. An Inside Limit Order to buy (sell) designated as a

Limit Routable IOC Order will trade with sell (buy) orders on the NYSE Arca Book priced at or below (above) the NBO (NBB) and the quantity not traded will be routed to the NBO (NBB). Any unfilled quantity not traded on the NYSE Arca Marketplace or an Away Market will be cancelled.

The purpose of the Inside Limit Order is to assess away market displayed interest on a price-by-price basis, thereby slowing down the routing of such order, rather than simultaneously routing an order to away markets at potentially multiple prices. For example, if the NBBO is \$10.10 by \$10.12, and the Exchange receives a Limit Order to buy with a limit price of \$10.15, in addition to executing with the interest on the NYSE Arca Book, the Exchange will route the balance of the order to all protected quotes, including quotes with an inferior price than the NBO (e.g., any protected offers priced at \$10.13 or higher), up to the limit order price of \$10.15. By contrast, an Inside Limit Order with a price of \$10.15 would be matched with interest on the NYSE Arca Book and routed only to away market interest priced at the NBO of \$10.12. After routing to the \$10.12 offer(s), Exchange systems will reevaluate the next best displayed offer price, and route to that single price point and continue such assessment at each price point until either the order has been filled, or there is no further interest available to satisfy the limit order price either at the Exchange or at away markets. The proposed change to have routable Limit Orders function as Inside Limit Orders, unless otherwise specified, is intended to offer market participants additional opportunities to obtain improved executions by waiting for changes to the NBBO.<sup>5</sup>

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<sup>5</sup> The Exchange believes that another equities exchange's routable Limit Order similarly executes against previously posted orders on the exchange's book that are priced equal to or better than the price of the order and reprices to the NBBO (i.e., buy orders will be priced at the inside offer and displayed one tick lower than the inside offer, and sell orders will be priced at the inside bid and displayed one tick higher than the inside bid). See The Nasdaq Stock Market, Equity 4 Equity Trading Rules, Rule 4702(b)(1)(A) (defining Price to Comply Order).

The following example illustrates how a routable Limit Order operates under current Exchange rules and how it would operate, as proposed:

Assume the offer on Away Market 1 is for 100 shares at \$10.12 and the offer on Away Market 2 is for 100 shares at \$10.15. Order 1 on the Exchange is a Limit Order to sell 100 shares at \$10.11. Order 2, a Limit Order to buy 300 shares at \$10.15, arrives at the Exchange.

Under current Exchange rules, Order 2 would trade with Order 1 for 100 shares at \$10.11, then route to Away Market 1 to trade 100 shares at \$10.12, then route to Away Market 2 to trade 100 shares at \$10.15.

As proposed, with Order 2 now operating like an Inside Limit Order, Order 2 would still first trade with Order 1 for 100 shares at \$10.11. Order 2 would then route to Away Market 1 to trade 100 shares at \$10.12, but the remaining 100 shares of Order 2 would be displayed on the NYSE Arca Book at \$10.12 instead of routing to trade on Away Market 2 at \$10.15.

Next, assume Away Market 1 updates its offer to 100 shares at \$10.13. Order 2 would now route to Away Market 1 to trade 100 shares at \$10.13, allowing it to execute at a better price than if it had routed to Away Market 2 to trade at \$10.15 instead of waiting for an updated away offer.

Because of the technology changes associated with the proposed change, the Exchange proposes to announce the implementation date of this change by Trader Update. Subject to approval of this proposed rule change, the Exchange anticipates that such change will be implemented before the end of the fourth quarter of 2026.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act,<sup>6</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act,<sup>7</sup> in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that the proposed rule change is designed to remove impediments to and perfect the mechanism of a free and open market because modifying routable Limit Orders to function like Inside Limit Orders would promote additional opportunities for market participants' orders to obtain better execution prices. Specifically, because the orders would be routed to the best displayed price, and any unfilled portion would not be routed to the next best price level until all quotes at the current best bid or offer are updated, routable Limit Orders would, by default, be afforded additional opportunities to obtain improved executions by waiting for changes to the NBBO.

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. The proposed rule change is intended to enhance trading opportunities for market participants by modifying routable Limit Orders to behave as Inside Limit Orders. To the extent the proposed change facilitates improved execution opportunities for market participants, it could promote

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<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(5).

competition among equities exchanges by making the Exchange a more attractive venue for order execution.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

- (A) by order approve or disapprove the proposed rule change, or
- (B) institute proceedings to determine whether the proposed rule change should be disapproved.

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include file number SR-NYSEARCA-2026-38 on the subject line.

Paper Comments:

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

All submissions should refer to file number SR-NYSEARCA-2026-38. This file number should be included on the subject line if email 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 (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-NYSEARCA-2026-38 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

**Sherry R. Haywood,**

*Assistant Secretary.*

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<sup>8</sup> 17 CFR 200.30-3(a)(12).

Additions: Underlined  
Deletions: [Bracketed]

**Rules of NYSE Arca, Inc.**

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**Rule 7-E EQUITIES TRADING**

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**Section 3. NYSE Arca Marketplace**

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**Rule 7.31-E. 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.

(A) A marketable Limit Order to buy (sell) will operate like an Inside Limit Order, as described in Rule 7.31-E(a)(3), unless otherwise specified[will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) before routing to the PBO (PBB) and may route to prices higher (lower) than the PBO (PBB) only after trading with orders to sell (buy) on the NYSE Arca Book at each price point. Once no longer marketable, the Limit Order will be ranked and displayed on the NYSE Arca Book].

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(3) Inside Limit Order. A Limit Order that is to be traded at the best price obtainable without trading through the NBBO.

(A) On arrival, a marketable Inside Limit Order to buy (sell) is assigned a working price of the NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the NBO (NBB) before routing to the NBO (NBB) on an Away Market. Once the NBO (NBB) is exhausted, the Inside Limit Order to buy (sell) will be displayed at its working price and be eligible to trade with incoming sell

(buy) orders at that price. When the updated NBO (NBB) is displayed, the Inside Limit Order to buy (sell) will be assigned a new working price of the updated NBO (NBB) and will trade with all sell (buy) orders on the NYSE Arca Book priced at or below the updated NBO (NBB) before routing to the updated NBO (NBB) on an Away Market. Such assessment will continue at each new NBO (NBB) until the order is filled, no longer marketable, or the limit price is reached. Once the order is no longer marketable, it will be ranked and displayed in the NYSE Arca Book.

(B) An Inside Limit Order designated as a Primary Until 9:45 Order or a Primary After 3:55 Order will follow the order processing of an Inside Limit Order only when the order is on the NYSE Arca Book.

(C) An Inside Limit Order may not be designated as a Limit IOC Order but may be designated as a Limit Routable IOC Order. An Inside Limit Order to buy (sell) designated as a Limit Routable IOC Order will trade with sell (buy) orders on the NYSE Arca Book priced at or below (above) the NBO (NBB) and the quantity not traded will be routed to the NBO (NBB). Any unfilled quantity not traded on the NYSE Arca Marketplace or an Away Market will be cancelled.

(b) Time in Force Modifiers

(1) Day Modifier. Any order to buy or sell designated Day, if not traded, will expire at the end of the designated session on the day on which it was entered. A Day Modifier cannot be combined with any other Time in Force Modifier.

(2) Immediate-or-Cancel (“IOC”) Modifier. A Limit Order may be designated IOC or Routable IOC, as described in paragraphs (A) and (B) of this paragraph (b)(2). The IOC Modifier will override any posting or routing instructions of orders that include the IOC Modifier. A Limit Order designated IOC is not eligible to participate in any auctions.

(A) Limit IOC Order. A Limit Order to buy (sell) designated IOC is to be traded in whole or in part on the NYSE Arca Marketplace with all sell (buy) orders on the NYSE Arca Book priced at or below (above) the PBO (PBB) as soon as such order is received, and the quantity not so traded is cancelled. A Limit IOC Order does not route.

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