
Date: December 21, 2012

Audience: NYSE Amex Options Participants

Subject: Primary Specialist Designation and Allocation of Orders for Five (5) or Fewer Contracts

Summary: The Exchange received approval to modify Rules 964NY and 964.2NY to define Primary Specialists, and to modify the order allocation entitlement amongst Specialist Pool participants as previously announced [here](#).

The earlier notice indicated that the Exchange anticipated implementing this change effective Monday, December 24, 2012. **That date has changed and the new implementation date will be Wednesday, January 2, 2013.**

As a reminder as a result of this change, the Primary Specialist (instead of the Specialist) would receive any additional weighting in the size pro rata allocation amongst Specialist Pool participants. This additional weighting would be determined by the Exchange, as is currently the case. **Additionally, rather than a round robin allocation of non-Directed Orders for five contracts or fewer, all such orders would be allocated to the Primary Specialist after any allocation to Customers, not to exceed the size of the Primary Specialist's quote, provided the Primary Specialist is quoting at the NBBO.**

The Primary Specialist will be selected from amongst the Specialist Pool participants. The Primary Specialist will be determined using an objective evaluation of the relative quote performance of each Specialist and e-Specialist. The evaluation will be conducted on a quarterly basis and would include one or more of the following factors: time and size at the NBBO, average quote width, average quote size, and the relative share of electronic volume in a given class of options.

The Exchange will use the relative share of volume executed by the Specialist and eSpecialist during the 4th Quarter of 2012 as the criterion for evaluating who the Primary Specialist will be. **The Specialist or eSpecialist assigned to an option that transacted more volume during the 4th Quarter 2012 evaluation period will be designated as the Primary Specialist.**

The approval order can be found [here](#) for those who are interested.

Contact Info:

If you have any additional questions, please contact your relationship manager at rmteam@nyx.com or Mike Babel at 212-656-4744.



Follow us on Twitter: www.twitter.com/nyse_options
