

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 021

Amendment No. (req. for Amendments *)

Filing by Nasdaq Texas, LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input checked="" type="checkbox"/>	Section 19(b)(3)(A) * <input type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input type="checkbox"/> 19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

A proposal to adopt rules to permit the listing and trading of Exchange-Traded Products on Nasdaq Texas.

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Nasdaq Texas, LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 05/04/2026


(Title *)

By John A. Zecca

(Name *)

EVP and Chief Legal Officer

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

 Date: 2026.05.04 15:05:20 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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SR-NasdaqTX-2026-021 19b-4.docx

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 *

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SR-NasdaqTX-2026-021 Exhibit 1.doc

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 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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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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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 Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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 Sent As Paper Document

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

Add Remove View

SR-NasdaqTX-2026-021 Exhibit 5.doc

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

Add Remove View

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) Nasdaq Texas, LLC (“Nasdaq Texas” or “Exchange”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposal to amend its rules to permit the listing and trading of certain Exchange-Traded Products (“ETPs”). The proposed ETP rules are based on and substantially similar to the rules of the Exchange’s affiliate, The Nasdaq Stock Market LLC (“Nasdaq”), and are designed to establish comprehensive listing standards for ETPs on the Exchange.

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

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The proposed rule change was approved by senior management of the Exchange pursuant to authority delegated by the Board of Directors (“Board”). Exchange staff will advise the Board of any action taken pursuant to delegated authority. No other action is necessary for the filing of the rule change.



¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

a. Purpose

Nasdaq Texas proposes to amend its rules to permit the listing and trading of certain ETPs on the Exchange. The proposed rule changes would adopt the initial and continued listing standards for these products in the proposed Rule 5700 Series and will be based on Nasdaq’s Rule 5700 Series without substantive change. In connection with these changes, the Exchange also proposes to delete redundant listing rules in Equity 3A, and amend Equity 4, Rule 4120 to update the definition of “Derivatives Securities Product” therein and add ETP halt rules that are substantially similar to Nasdaq’s ETP halt rules.

Background

The Exchange was recently established by converting Nasdaq BX, Inc. to a limited liability corporation operated and governed by Texas state laws and renaming it Nasdaq Texas LLC.³ In connection with this transition, the Exchange has implemented new listing standards for equity securities that are corporate listings and that are substantially similar to the Nasdaq Global Market listing rules.⁴ The Exchange now proposes to expand its listing program by adopting rules to permit the listing and trading of certain ETPs, thereby providing issuers with an additional venue for listing these products and enhancing competition among national securities exchanges. As noted in SR-BX-2026-004, the Exchange intends to only dually list securities

³ See Securities Exchange Act Release No. 104736 (January 29, 2026), 91 FR 4980 (February 3, 2026) (SR-BX-2026-005).

⁴ See Securities Exchange Act Release No. 104907 (February 27, 2026), 91 FR 10657 (March 4, 2026) (SR-BX-2026-004) (noting that unlike Nasdaq, which has three listing tiers, the Exchange will only have a single set of listing requirements based on the Nasdaq Global Market listing standards).

(including ETPs) that are also listed on another national securities exchange, but the Exchange expects to subsequently modify its rules to allow it to also serve as a primary listing venue.⁵

Proposed Rule Change

The Exchange proposes certain non-substantive, technical, and conforming changes throughout the proposed rules, as follows. In addition to minor spelling, grammatical, and other similar non-substantive changes and edits, the Exchange proposes to use:

- “Exchange” rather than “Nasdaq” or “The Nasdaq Stock Market” throughout the proposed rules;
- “Market Hours” rather than “Regular Market Hours” to conform to the Exchange’s existing rule definitions in Equity 1, Section 1(a)(13);⁶
- “Equity 1, Section 1(a)(13)” instead of “Rule 4120” when referring to the trading hours of the Exchange.⁷

The proposed Rule 5700 Series will be substantially identical to Nasdaq’s Rule 5700 Series, and each proposed rule will correspond to the same rule number as the Nasdaq rule on which it is based.

Further, as discussed below, the Exchange proposes to delete redundant listing rules in Equity 3A, and to amend Equity 4, Rule 4120 to update the definition of “Derivatives Securities

⁵ See supra note 4.

⁶ The term “Market Hours” means the period of time beginning at 9:30 a.m. Eastern Time (“ET”) and ending at 4:00 p.m. ET (or such earlier time as may be designated by the Exchange on a day when the Exchange closes early). See Equity 1, Section 1(a)(13).

⁷ Equity 1, Section 1(a)(13) sets forth the trading hours of the Exchange, which run from 7:00 a.m. ET to 7:00 p.m. ET and consist of Pre-Market Hours, Market Hours, and Post-Market Hours. The term “Pre-Market Hours” means the period of time beginning at 7:00 a.m. ET and ending immediately prior to the commencement of Market Hours. The term “Post-Market Hours” means the period of time beginning immediately after the end of Market Hours and ending at 7:00 p.m. ET.

Product” therein. Lastly, the Exchange proposes to add ETP halt rules that are substantially similar to Nasdaq’s ETP halt rules.

Rule 5700 Series (Other Securities)

The Exchange proposes to adopt new Rule 5700 Series, titled “Other Securities,” which will allow the Exchange to list and trade the following ETPs:

- Debt Securities (Other than Convertible Debt) (proposed Rule 5702)
- Class ETF Shares (proposed Rule 5703)
- Exchange Traded Fund Shares (proposed Rule 5704)
- Portfolio Depository Receipts (proposed Rule 5705(a))
- Index Fund Shares (proposed Rule 5705(b))
- Securities Linked to the Performance of Indexes and Commodities (Including Currencies) (proposed Rule 5710)
- Index-Linked Exchangeable Notes (proposed Rule 5711(a))
- Equity Gold Shares (proposed Rule 5711(b))
- Trust Certificates (proposed Rule 5711(c))
- Commodity-Based Trust Shares (proposed Rule 5711(d))
- Currency Trust Shares (proposed Rule 5711(e))
- Commodity Index Trust Shares (proposed Rule 5711(f))
- Commodity Futures Trust Shares (proposed Rule 5711(g))
- Partnership Units (proposed Rule 5711(h))
- Trust Units (proposed Rule 5711(i))
- Managed Trust Securities (proposed Rule 5711(j))
- Currency Warrants (proposed Rule 5711(k))

- Paired Class Shares (proposed Rule 5713)
- Selected Equity-linked Debt Securities (“SEEDS”) (proposed Rule 5715)
- Trust Issued Receipts (proposed Rule 5720)
- Index Warrants (proposed Rule 5725)
- Other Securities (proposed Rule 5730)
- Contingent Value Rights (proposed Rule 5732)
- Managed Fund Shares (proposed Rule 5735)
- Derivative Securities Traded Under Unlisted Trading Privileges (proposed Rule 5740)
- Exchange-Traded Managed Fund Shares (“NextShares”) (proposed Rule 5745)
- Proxy Portfolio Shares (proposed Rule 5750)
- Managed Portfolio Shares (proposed Rule 5760)

The Exchange proposes to reserve Rule 5712 to maintain the same numbering as the Nasdaq Rule 5700 Series. Except for the non-substantive changes, conforming, and technical differences outlined above and described below, the rules are being adopted in substantially the same form as the Nasdaq rules.

Rule 5701 (Preamble to the Listing Requirements for Other Securities)

Proposed Rule 5701 is substantially similar to Nasdaq Rule 5701 and establishes the general framework for listing the above specified ETPs on the Exchange. In addition to certain non-substantive, technical, and conforming changes as described above (e.g., replacing “Nasdaq” with “Exchange”), proposed Rule 5701(a) will only provide that this section contains the requirements for listing other securities on the Exchange. In contrast, Nasdaq Rule 5701(a) provides that this section contains requirements for listing other securities on the Nasdaq Global

Market and that in the event that a company's primary security is listed on the Nasdaq Global Select Market, the other securities may be listed on the Nasdaq Global Select Market. As noted above, the Exchange only has a single tier of listing requirements instead of three listing tiers like Nasdaq.⁸ Accordingly, the Exchange will not carry over references to the different Nasdaq listing tiers in proposed Rule 5701(a).

Rule 5702 (Debt Securities)

Proposed Rule 5702 is substantially similar to Nasdaq Rule 5702 and establishes requirements for listing non-convertible bonds on the Exchange. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange proposes to add the Exchange to the list of national securities exchanges in proposed Rule 5702(a)(2)(A) – (C). The Exchange further proposes to replace the reference to the “Nasdaq Bond Exchange” in Nasdaq Rule 5702(c) with the “Exchange” in proposed Rule 5702(c). Otherwise there are no substantive differences between the proposed rule and Nasdaq Rule 5702.

Rule 5703 (Class ETF Shares)

Proposed Rule 5703 is materially identical to Nasdaq Rule 5703 and permits the listing and trading of class ETF shares, which are exchange-traded shares of a multi-class fund that operates as an exchange-traded fund pursuant to exemptive relief granted by order under the Investment Company Act of 1940 (the “1940 Act”), and is in compliance the conditions and requirements of Rule 6c-11 under the 1940 Act. There are no substantive differences between the proposed rule and Nasdaq Rule 5703.

⁸ See supra note 4.

Rule 5704 (Exchange Traded Fund Shares)

Proposed Rule 5704 is substantially similar to Nasdaq Rule 5704 and establishes listing standards for exchange traded fund shares, which are shares of an “Exchange Traded Fund” or “ETF” as defined in Rule 6c-11 under the 1940 Act. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the “Night Session” in Nasdaq Rule 5704(b)(1)(C) to proposed Rule 5704(b)(1)(C) as there is no such trading session on the Exchange. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5704.

Rule 5705(a) (Portfolio Depository Receipts)

Proposed Rule 5705(a) is substantially similar to Nasdaq Rule 5705(a) and establishes listing standards for portfolio depository receipts, a security based on a unit investment trust that holds securities comprising an index or portfolio underlying a series of portfolio depository receipts. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the Nasdaq Capital Market in Nasdaq Rule 5705(a)(3)(A)(i)e. to proposed Rule 5705(a)(3)(A)(i)e. because the Exchange will only have one listing market instead of three like Nasdaq.⁹ The Exchange will also not port over the reference to the “Night Session” in Nasdaq Rule 5705(a)(7) to proposed Rule 5705(a)(7) as there is no such trading session on the Exchange. Otherwise there are no substantive differences between the proposed rule and Nasdaq Rule 5705(a).

Rule 5705(b) (Index Fund Shares)

Proposed Rule 5705(b) is substantially similar to Nasdaq Rule 5705(b) and establishes listing standards for Index Fund Shares, which are securities that are issued by an open-end

⁹ See supra note 4.

management investment company based on a portfolio of stocks or fixed income securities (or a combination thereof) that seek to provide investment results that correspond generally to the price and yield performance or total return performance of a specified foreign or domestic stock index, fixed income securities index or combination thereof. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the Nasdaq Capital Market in Nasdaq Rule 5705(b)(3)(A)(i)e. to proposed Rule 5705(b)(3)(A)(i)e. because the Exchange will only have one listing market instead of three like Nasdaq.¹⁰ The Exchange will also not port over the reference to the “Night Session” in Nasdaq Rule 5705(b)(7) to proposed Rule 5705(b)(7) as there is no such trading session on the Exchange. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5705(b).

Rule 5710 (Linked Securities)

Proposed Rule 5710 is materially identical to Nasdaq Rule 5710 and establishes listing standards for exchange-traded notes. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5710.

Rule 5711(a) (Index-Linked Exchangeable Notes)

Proposed Rule 5711(a) is substantially similar to Nasdaq Rule 5711(a) and establishes listing standards for index-linked exchangeable notes, which are debt securities exchangeable at the option of the holder (subject to certain requirements). In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5711(a). To qualify for

¹⁰ See supra note 4.

listing and trading under Nasdaq Rule 5711(a), an index to which an exchangeable note is linked and its underlying securities must meet (1) the procedures in NOM Rules Chapter XIV, Section 6(b) and (c), or (2) the criteria set forth in Nasdaq Rules 5715(b)(3) and (4), the index concentration limits set forth in NOM Rule Chapter XIV, Section 6, and NOM Rule Chapter XIV, Section 6(b)(12) insofar as it relates to NOM Rule Chapter XIV, Section 6(b)(6).¹¹ The Exchange instead proposes to point to comparable rules on its options market rather than to NOM rules. Accordingly, the Exchange proposes to apply the criteria set forth in Options 4A, Sections 4(b), 4(b)(6), 4(b)(12), and 4(c) in determining whether an index underlying an index-linked exchangeable note satisfies the requirements of proposed Rule 5711(a)(iv)(A) and (B).¹² Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(a).

Rule 5711(b) (Equity Gold Shares)

Proposed Rule 5711(b) is materially identical to Nasdaq Rule 5711(b) and establishes listing standards for equity gold shares, which represent units of fractional undivided beneficial interest in and ownership of the Equity Gold Trust. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(b).

¹¹ These NOM (i.e., Nasdaq Options Market) rule references are obsolete as Nasdaq has since relocated its rules (including these NOM rules) to another place in the Nasdaq rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-28>. The correct rule references should be to Nasdaq Options 4A, Sections 4(b), 4(b)(6), 4(b)(12), and 4(c). The foregoing rules set forth criteria for narrow-based and micro narrow-based indexes on which an options contract may be listed on NOM.

¹² The Exchange has substantially the same numbering system as Nasdaq for both its previous and current rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-25>.

Rule 5711(c) (Trust Certificates)

Proposed Rule 5711(c) is materially identical to Nasdaq Rule 5711(c) and establishes listing standards for trust certificates, which represent an interest in a special purpose trust created pursuant to a trust agreement. Other than certain non-substantive, technical, and conforming changes described above and to replace the reference to “Nasdaq Options Market” in Nasdaq Commentary .08 to Rule 5711(c) with “NTX Options” in proposed Commentary .08 to Rule 5711(c), there are no substantive differences between the proposed rule and Nasdaq Rule 5711(c).

Rule 5711(d) (Commodity-Based Trust Shares)

Proposed Rule 5711(d) is materially identical to Nasdaq Rule 5711(d) and establishes listing standards for commodity-based trust shares, which are securities issued by a trust or other similar entity that is not registered as an investment company pursuant to the 1940 Act and that holds commodities and/or commodity-based assets, and in addition to such commodities and/or commodity-based assets, may hold securities, cash, and cash equivalents. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange proposes to refer to Equity 1, Section 1(a)(13) in proposed Commentary .02 to Rule 5711(d) to specify the trading hours of the Exchange. In contrast, Commentary .02 to Nasdaq Rule 5711(d) points to Nasdaq Rule 4120. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(d).

Rule 5711(e) (Currency Trust Shares)

Proposed Rule 5711(e) is materially identical to Nasdaq Rule 5711(e) and establishes listing standards for currency trust shares, which are securities issued by a trust that holds a specified non-U.S. currency or currencies deposited with the trust. Other than certain non-

substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(e).

Rule 5711(f) (Commodity Index Trust Shares)

Proposed Rule 5711(f) is materially identical to Nasdaq Rule 5711(f) and establishes listing standards for commodity index trust shares, which are securities issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds long positions in futures contracts on a specified commodity index, or interests in a commodity pool which, in turn, holds such long positions. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(f).

Rule 5711(g) (Commodity Futures Trust Shares)

Proposed Rule 5711(g) is materially identical to Nasdaq Rule 5711(g) and establishes listing standards for commodity futures trust shares, which are securities issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds positions in futures contracts that track the performance of a specified commodity, or interests in a commodity pool which, in turn, holds such positions. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(g).

Rule 5711(h) (Partnership Units)

Proposed Rule 5711(h) is materially identical to Nasdaq Rule 5711(h) and establishes listing standards for partnership units, which are securities issued by a partnership that invests in

any combination of futures contracts, options on futures contracts, forward contracts, commodities and/or securities. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(h).

Rule 5711(i) (Trust Units)

Proposed Rule 5711(i) is materially identical to Nasdaq Rule 5711(i) and establishes listing standards for trust units, which are securities issued by a trust or other similar entity that is constituted as a commodity pool that holds investments comprising or otherwise based on any combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(i).

Rule 5711(j) (Managed Trust Securities)

Proposed Rule 5711(j) is materially identical to Nasdaq Rule 5711(j) and establishes listing standards for managed trust securities, a security that is issued by a trust that (a) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, and that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and (b) holds long and/or short positions in exchange-traded futures contracts and/or certain currency forward contracts selected by the trust's advisor consistent with the trust's investment objectives, which will only include exchange-traded futures contracts involving commodities, currencies, stock indices, fixed income indices, interest rates and sovereign, private and mortgage or asset backed debt instruments, and/or forward contracts on specified currencies.

Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(j).

Rule 5711(k) (Currency Warrants)

Proposed Rule 5711(k) is substantially similar to Nasdaq Rule 5711(k) and establishes listing standards for currency warrants. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5711(k). To qualify for listing and trading under Nasdaq Rule 5711(k), currency warrants must meet the requirements under Nasdaq Rule 5711(k)(v) (Regulatory Matters). Nasdaq Rule 5711(k)(v) sets forth a number of NOM rule references that apply to currency warrants listed on Nasdaq around, for example, suitability, discretionary accounts, and supervision of accounts. Nasdaq Rule 5711(k)(v) therefore references NOM Rules Chapter XI, Sections 7 – 10 and 24.¹³ The Exchange instead proposes to point to comparable rules on its options market rather than to NOM rules. Accordingly, the Exchange proposes to require that currency warrants satisfy the criteria set forth in Options 10, Sections 6 – 9 and 22 in proposed Rule 5711(k)(v).¹⁴ Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(k).

Rule 5713 (Paired Class Shares)

Proposed Rule 5713 is materially identical to Nasdaq Rule 5713 and permits the listing and trading of Paired Class Shares, a security that is issued by a trust on behalf of a segregated series (i.e., the fund) as part of a pair of shares of opposing classes whose respective underlying

¹³ These NOM rule references are obsolete as Nasdaq has since relocated its rules (including these NOM rules) to another place in the Nasdaq rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-28>. The correct rule references should be to Nasdaq Options 10, Sections 6-9 and 22.

¹⁴ See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-25>.

values move in opposite directions as the value of the fund's underlying benchmark varies from its starting level, where one constituent of the pair is positively linked to the fund's underlying benchmark and the other constituent is inversely linked to the fund's underlying benchmark.

Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5713.

Rule 5715 (Selected Equity-linked Debt Securities ("SEEDS"))

Proposed Rule 5715 is substantially similar to Nasdaq Rule 5715 and permits the listing and trading of SEEDS, which are limited-term, non-convertible debt securities of a company where the value of the debt is based, at least in part, on the value of up to thirty (30) other issuers' common stock or non-convertible preferred stock (or sponsored American Depositary Receipts overlying such equity securities). In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5715:

- Replace the references to the "Nasdaq Global Market" or "Nasdaq Global Select Market"¹⁵ in the introductory paragraph of Nasdaq Rule 5715(b) with "the Exchange" in the introductory paragraph of proposed Rule 5715(b) because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁶
- Add the Exchange to the list of national securities exchanges in proposed Rule 5715(b)(1)(A) and (B), and (b)(2)(B)(ii).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5715.

¹⁵ Nasdaq Rule 5715(b) incorrectly references this market as Nasdaq Global Select Market Selected.

¹⁶ See supra note 4.

Rule 5720 (Trust Issued Receipts)

Proposed Rule 5720 is materially identical to Nasdaq Rule 5720 and establishes listing standards for trust issued receipts, a security that is issued by a trust holding specified securities deposited with the Trust. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5720.

Rule 5725 (Index Warrants)

Proposed Rule 5725 is materially identical to Nasdaq Rule 5725 and establishes listing standards for index warrants, which are instruments that are direct obligations of the issuing company, either exercisable throughout their life (i.e., American style) or exercisable only on their expiration (i.e., European style), entitling the holder to a cash settlement in U.S. dollars to the extent that the index has declined below (for a put warrant) or increased above (for a call warrant) the pre-stated cash settlement value of the index. Other than certain non-substantive, technical, and conforming changes described above and replace one instance of “the Global Market” in Nasdaq Rule 5725(b)(1) with “the Exchange” in proposed Rule 5725(b)(1), there are no substantive differences between the proposed rule and Nasdaq Rule 5725.

Rule 5730 (Other Securities)

Proposed Rule 5730 is substantially similar to Nasdaq Rule 5730 and sets forth the listing requirements for securities not otherwise covered by the criteria in Rule 5400 or 5700 Series, provided the instrument is otherwise suited to trade through the facilities of the Exchange and meets the proposed listing requirements therein. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5730:

- Replace the references to the “Global Market” in Nasdaq Rule 5730(a)(1) with “the Exchange” in proposed Rule 5730(a)(1) because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁷
- Add the Exchange to the list of national securities exchanges in proposed Rule 5730(a)(2) and (3), and (b)(2)(B)(ii).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5730.

Rule 5732 (Contingent Value Rights)

Proposed Rule 5732 is substantially similar to Nasdaq Rule 5732 and sets forth the listing requirements for contingent value rights, which are unsecured obligations of the issuer and that provide for a possible cash payment either: (i) at maturity based upon the price performance of an affiliate’s equity security; or (ii) within a specified time period, upon the occurrence of a specified event or events related to the business of the issuer or an affiliate of the issuer. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5732:

- Replace the references to the “Global Market” in the introductory paragraph of Nasdaq Rule 5732 with “the Exchange” in the introductory paragraph of proposed Rule 5732 because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁸

¹⁷ See supra note 4.

¹⁸ See supra note 4.

- Nasdaq Rule 5732(a)(2) and (3) provides that the company must satisfy the market value of unrestricted publicly held shares requirement in Nasdaq Rule 5315(f)(3)(A) and Nasdaq Rule 5315(f)(2)(A) and (B), as applicable. Nasdaq Rule 5300 sets forth the listing standards the Nasdaq Global Select Market. The Exchange only adopted listing standards based on the Nasdaq Global Market in the 5400 Series, and did not adopt listing standards comparable to the Nasdaq 5300 Series.¹⁹ The Exchange thus proposes to retain the same substantive listing standards of Nasdaq Rule 5315(f)(3)(A) and Nasdaq Rule 5315(f)(2)(A) and (B) in proposed Rule 5732(a)(2) and (3), and will therefore keep the references to these specific Nasdaq rules in proposed Rule 5732(a)(2) and (3).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5732.

Rule 5735 (Managed Fund Shares)

Proposed Rule 5735 is materially identical to Nasdaq Rule 5735 and establishes listing standards for managed fund shares, which are securities issued by an open-end management investment company that is actively managed and does not seek to replicate the performance of a specified index. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5735.

Rule 5740 (UTP Derivative Securities)

Proposed Rule 5740 is materially identical to Nasdaq Rule 5740 and governs the trading of derivative securities pursuant to unlisted trading privileges. Other than certain non-

¹⁹ See supra note 4.

substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5740.

Rule 5745 (NextShares)

Proposed Rule 5745 is materially identical to Nasdaq Rule 5745 and establishes listing standards for NextShares, a security that represents an interest in a registered investment company (“NextShares Fund”) organized as an open-end management investment company that invests in a portfolio of securities and other assets selected and managed by the NextShares Fund’s investment adviser consistent with the NextShares Fund’s investment objectives and policies. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5745.

Rule 5750 (Proxy Portfolio Shares)

Proposed Rule 5750 is materially identical to Nasdaq Rule 5750 and establishes listing standards for proxy portfolio shares, a security that represents an interest in an investment company registered under the 1940 Act organized as an open-end management investment company that invests in a portfolio of securities selected by the investment company’s investment adviser consistent with the investment company’s investment objectives and policies. There are no substantive differences between the proposed rule and Nasdaq Rule 5750.

Rule 5760 (Managed Portfolio Shares)

Proposed Rule 5760 is materially identical to Nasdaq Rule 5760 and establishes listing standards for managed portfolio shares, a security that represents an interest in an investment company registered under the 1940 Act organized as an open-end management investment company, and that invests in a portfolio of securities selected by the investment company's investment adviser consistent with the investment company's investment objectives and policies.

Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5760.

Other Proposed Changes

The Exchange's current ETP listing rules are in Equity 3A. As these rules will be superseded by the ETP listing rules in the proposed Rule 5700 Series, the Exchange proposes to delete the current listing rules by removing all provisions in Equity 3A and reserving this chapter.

The Exchange also proposes to amend the definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) by conforming this term with the definition of "Derivative Securities Product" in Nasdaq Equity 4, Rule 4120(b)(4)(A).²⁰ The Exchange believes that the proposed change would ensure that the amended definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) reflects a complete list of Derivative Securities Products that may trade on the Exchange, thereby improving the clarity and transparency of Exchange rules.

The Exchange also proposes to amend Equity 4, Rule 4120(b) to add ETP-specific halt provisions that are substantially similar to Nasdaq's ETP-specific halt provisions. First, the Exchange may declare a Regulatory Halt²¹ in index warrants when underlying stocks representing 20% or more of the index value are halted, the current index calculation is

²⁰ Nasdaq Equity 4, Rule 4120(b)(4)(A) provides that Derivative Securities Product means a series of Exchange Traded Fund Shares, Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, NextShares, Trust Issued Receipts, or Proxy Portfolio Shares (as defined in Rules 5704, 5705, 5735, 5745, 5720, and 5750 respectively), a series of Commodity-Related Securities (as defined in Equity 10, Section 8), securities representing interests in unit investment trusts or investment companies, Index- Linked Exchangeable Notes, Equity Gold Shares, Trust Certificates, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Securities, or Currency Warrants (as defined in Rule 5711(a) - (k)), Class ETF Shares (as defined in Rule 5703), or any other UTP Derivative Security (as defined in Rule 5740).

²¹ "Regulatory Halt" has the same meaning as in Section X.A.10 of the Nasdaq UTP Plan. See Equity 4, Rule 4120(a)(9).

unavailable, or other unusual conditions exist that are detrimental to fair and orderly markets.²²

Second, the Exchange may declare a Regulatory Halt in certain ETPs when the intraday indicative value or applicable index value stops being disseminated, or when trading in the underlying securities has been halted or substantially ceased in the primary markets, or other unusual conditions exist that are detrimental to fair and orderly markets.²³ Third, the Exchange must declare a Regulatory Halt in Derivative Securities Products when it becomes aware that the net asset value, disclosed portfolio, composition file, or proxy basket is not being disseminated to all market participants at the same time until such time that the net asset value, disclosed portfolio, composition file, or proxy basket is available to all market participants.²⁴

Surveillance

The Exchange represents that listed ETPs would be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor the Exchange's listing and trading of ETPs in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

²² See proposed Equity 4, Rule 4120(b)(1)(A)(v), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(8) other than the non-substantive, technical, and conforming changes to replace "Nasdaq" with the "Exchange."

²³ See proposed Equity 4, Rule 4120(b)(1)(A)(vi), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(9) other than the non-substantive, technical, and conforming changes to replace "Nasdaq" with the "Exchange."

²⁴ See proposed Equity 4, Rule 4120(b)(1)(A)(vii), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(11) other than the non-substantive, technical, and conforming changes to replace "Nasdaq" with the "Exchange" and to update the cross citation to the definition of "Derivative Securities Product" to Rule 4120(a)(1).

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of relevant parties for relevant trading violations. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, with other markets and other entities that are members of the Intermarket Surveillance Group (“ISG”). The Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in ETPs and financial instruments from such markets and other entities. In addition, the Exchange may obtain information regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, from markets and other entities with which the Exchange has in place a comprehensive surveillance sharing agreement. Further, the Exchange’s affiliate, Nasdaq, currently list ETPs pursuant to rules that are substantially similar to the rules proposed by the Exchange in this filing.

b. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,²⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,²⁶ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest.

²⁵ 15 U.S.C. 78f(b).

²⁶ 15 U.S.C. 78f(b)(5).

The Exchange believes that the proposed rules will remove impediments to, and perfect the mechanism of, a free and open market and a national market system by allowing the Exchange to list and trade ETPs under rules that are substantially similar to the rules of Nasdaq. The Exchange believes that adopting the proposed Rule 5700 Series to permit the listing and trading of ETPs will promote competition among national securities exchanges by providing issuers with an additional venue for listing these products. The proposed rules are substantially similar to the rules of Nasdaq, which have been approved by the Commission and permit the listing and trading of ETPs pursuant to materially identical listing standards. The Commission has previously found that Nasdaq's ETP listing standards are consistent with the Act.²⁷ By basing the proposed ETP listing rules on the rules of the Exchange's affiliate, Nasdaq, the proposed rule change will promote continuity across affiliated exchanges, permitting ETPs to list and trade on the Exchange by meeting materially the same listing standards as on the Exchange's affiliated market. The proposed rules will require the dissemination of intraday indicative values, net asset values, and other information for listed ETPs and will authorize the Exchange to halt trading in instances where such information stops being disseminated to all market participants at the same time, ensuring that market participants and investors have the same access to information concerning the specified products. Consequently, the Exchange believes that adopting the proposed Rule 5700 Series would remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect

²⁷ See, e.g., Securities Exchange Act Release Nos. 66648 (March 23, 2012), 77 FR 19428 (March 30, 2012) (SR-NASDAQ-2012-013); 88561 (April 3, 2020), 85 FR 19984 (April 9, 2020) (SR-NASDAQ-2019-090); 103995 (September 17, 2025), 90 FR 45414 (September 22, 2025) (SR-NASDAQ-2025-056; SR-CboeBZX-2025-104; SR-NYSEARCA-2025-54); and 104252 (November 24, 2025), 90 FR 54781 (November 28, 2025) (SR-NASDAQ-2025-037).

investors and the public interest. Further, the proposed listing rules will apply equally to all issuers that seek to list ETPs on the Exchange and that satisfy the listing criterion.

The Exchange believes that the proposed rules are designed to prevent fraudulent and manipulative acts and practices. Trading in listed ETPs will be subject to existing Exchange trading rules, together with specific initial and continued listing standards and surveillance procedures. The proposed listing rules will require that issuers of securities listed under the proposed rules notify the Exchange regarding instances of non-compliance and indicate that deficiencies will be subject to the delisting process in the Rule 5800 Series. The Exchange believes that these proposed rules will enhance the Exchange's rules, thereby serving to improve the national market system and protect investors and the public interest. In addition, members would continue to be subject to the Exchange's structure for trading listed securities, including supervision and books and records requirements in General 9, Section 20 and Section 30. These provisions will enhance investor protection and market integrity.

The Exchange believes that the deletion of the superseded ETP listing rules in Equity 3A will remove impediments to and perfect the mechanisms of a free and open market by eliminating rules that would be superseded by the proposed Rule 5700 Series, thereby improving the clarity of the Exchange's rules, and enabling market participants to more easily navigate the Exchange's rules. The Exchange also believes that the proposed deletion of obsolete rule text would protect investors and the public interest by making the Exchange's rules more accessible and transparent. Similarly, the Exchange believes that modifying the definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) will protect investors and the public interest by ensuring that this Rule reflects a complete list of Derivative Securities Products that may trade on the Exchange, thereby improving the clarity and transparency of Exchange rules.

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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change will adopt new rules that allow the Exchange to list and trade ETPs. The proposed rules will apply equally to all issuers that seek to list ETPs on the Exchange. Further, the proposed rule change will allow issuers to list ETPs on the Exchange under listing standards that are materially identical to those of Nasdaq (other than respect to certain non-substantive, technical, and conforming changes described above). This will enhance the Exchange's ability to compete with other exchanges that currently allow the listing of ETPs. The Exchange believes that the proposed rules will promote competition by providing another venue for listing ETPs.

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

No written comments were either solicited or received.

6. Extension of Time Period for Commission Action

The Exchange does not consent to an extension of the time period for Commission action.

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

The Exchange respectfully requests accelerated effectiveness pursuant to Section 19(b)(2) of the Act.²⁸ The Exchange believes that there is good cause for the Commission to accelerate effectiveness because the Exchange proposes to adopt rules that will allow the Exchange to list and trade ETPs that are materially identical to the rules of Nasdaq (other than with respect to certain non-substantive, conforming, and technical changes described above),

²⁸ 15 U.S.C. 78s(b)(2).

which currently lists ETPs pursuant to the same ruleset. The Exchange is not proposing any novel rules or substantive changes, but rather, is proposing changes substantively similar to the established rules of its affiliate, Nasdaq. Accelerated effectiveness of the proposal would facilitate the listing and trading of ETPs on the Exchange at the earliest opportunity, which will enhance competition among national securities exchanges. For these reasons, the Exchange believes that there is good cause for the Commission to accelerate effectiveness.

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

The proposed rules are based on the Nasdaq Rule 5700 Series and Nasdaq Equity 4, Rule 4120(a)(8), (a)(9), (a)(11), and (b)(4)(A). Except for certain non-substantive, conforming, and technical changes as described above, the proposed rules and the Nasdaq rules are materially identical.

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

Not applicable.

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

Not applicable.

11. Exhibits

1. Notice of Proposed Rule Change for publication in the Federal Register.
5. Text of the proposed rule change.

EXHIBIT 1**SECURITIES AND EXCHANGE COMMISSION****[Release No. 34- ; File No. SR-NasdaqTX-2026-021]****Self-Regulatory Organizations; Nasdaq Texas, LLC; Notice of Filing of Proposed Rule Change to Adopt Rules to Permit the Listing and Trading of Exchange-Traded Products on the Exchange**

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4 thereunder,² notice is hereby given that on May 4, 2026, Nasdaq Texas, LLC (“Nasdaq Texas” or “Exchange”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III, below, which Items have been prepared by the Exchange. 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 its rules to permit the listing and trading of certain Exchange-Traded Products (“ETPs”). The proposed ETP rules are based on and substantially similar to the rules of the Exchange’s affiliate, The Nasdaq Stock Market LLC (“Nasdaq”), and are designed to establish comprehensive listing standards for ETPs on the Exchange.

The text of the proposed rule change is available on the Exchange’s Website at <https://listingcenter.nasdaq.com/rulebook/nasdaqtx/rulefilings>, and at the principal office of the Exchange.

¹ 15 U.S.C. 78s(b)(1).

² 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 Exchange 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 these 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 aspects of such statements.

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

1. Purpose

Nasdaq Texas proposes to amend its rules to permit the listing and trading of certain ETPs on the Exchange. The proposed rule changes would adopt the initial and continued listing standards for these products in the proposed Rule 5700 Series and will be based on Nasdaq’s Rule 5700 Series without substantive change. In connection with these changes, the Exchange also proposes to delete redundant listing rules in Equity 3A, and amend Equity 4, Rule 4120 to update the definition of “Derivatives Securities Product” therein and add ETP halt rules that are substantially similar to Nasdaq’s ETP halt rules.

Background

The Exchange was recently established by converting Nasdaq BX, Inc. to a limited liability corporation operated and governed by Texas state laws and renaming it Nasdaq Texas LLC.³ In connection with this transition, the Exchange has implemented new listing standards for equity securities that are corporate listings and that are substantially similar to the Nasdaq

³ See Securities Exchange Act Release No. 104736 (January 29, 2026), 91 FR 4980 (February 3, 2026) (SR-BX-2026-005).

Global Market listing rules.⁴ The Exchange now proposes to expand its listing program by adopting rules to permit the listing and trading of certain ETPs, thereby providing issuers with an additional venue for listing these products and enhancing competition among national securities exchanges. As noted in SR-BX-2026-004, the Exchange intends to only dually list securities (including ETPs) that are also listed on another national securities exchange, but the Exchange expects to subsequently modify its rules to allow it to also serve as a primary listing venue.⁵

Proposed Rule Change

The Exchange proposes certain non-substantive, technical, and conforming changes throughout the proposed rules, as follows. In addition to minor spelling, grammatical, and other similar non-substantive changes and edits, the Exchange proposes to use:

- “Exchange” rather than “Nasdaq” or “The Nasdaq Stock Market” throughout the proposed rules;
- “Market Hours” rather than “Regular Market Hours” to conform to the Exchange’s existing rule definitions in Equity 1, Section 1(a)(13);⁶
- “Equity 1, Section 1(a)(13)” instead of “Rule 4120” when referring to the trading hours of the Exchange.⁷

⁴ See Securities Exchange Act Release No. 104907 (February 27, 2026), 91 FR 10657 (March 4, 2026) (SR-BX-2026-004) (noting that unlike Nasdaq, which has three listing tiers, the Exchange will only have a single set of listing requirements based on the Nasdaq Global Market listing standards).

⁵ See *supra* note 4.

⁶ The term “Market Hours” means the period of time beginning at 9:30 a.m. Eastern Time (“ET”) and ending at 4:00 p.m. ET (or such earlier time as may be designated by the Exchange on a day when the Exchange closes early). See Equity 1, Section 1(a)(13).

⁷ Equity 1, Section 1(a)(13) sets forth the trading hours of the Exchange, which run from 7:00 a.m. ET to 7:00 p.m. ET and consist of Pre-Market Hours, Market Hours, and Post-Market Hours. The term “Pre-Market Hours” means the period of time beginning at 7:00 a.m. ET and ending immediately prior to the commencement of Market Hours. The term “Post-Market Hours” means the period of time beginning immediately after the end of Market Hours and ending at 7:00 p.m. ET.

The proposed Rule 5700 Series will be substantially identical to Nasdaq's Rule 5700 Series, and each proposed rule will correspond to the same rule number as the Nasdaq rule on which it is based.

Further, as discussed below, the Exchange proposes to delete redundant listing rules in Equity 3A, and to amend Equity 4, Rule 4120 to update the definition of "Derivatives Securities Product" therein. Lastly, the Exchange proposes to add ETP halt rules that are substantially similar to Nasdaq's ETP halt rules.

Rule 5700 Series (Other Securities)

The Exchange proposes to adopt new Rule 5700 Series, titled "Other Securities," which will allow the Exchange to list and trade the following ETPs:

- Debt Securities (Other than Convertible Debt) (proposed Rule 5702)
- Class ETF Shares (proposed Rule 5703)
- Exchange Traded Fund Shares (proposed Rule 5704)
- Portfolio Depository Receipts (proposed Rule 5705(a))
- Index Fund Shares (proposed Rule 5705(b))
- Securities Linked to the Performance of Indexes and Commodities (Including Currencies) (proposed Rule 5710)
- Index-Linked Exchangeable Notes (proposed Rule 5711(a))
- Equity Gold Shares (proposed Rule 5711(b))
- Trust Certificates (proposed Rule 5711(c))
- Commodity-Based Trust Shares (proposed Rule 5711(d))
- Currency Trust Shares (proposed Rule 5711(e))
- Commodity Index Trust Shares (proposed Rule 5711(f))

- Commodity Futures Trust Shares (proposed Rule 5711(g))
- Partnership Units (proposed Rule 5711(h))
- Trust Units (proposed Rule 5711(i))
- Managed Trust Securities (proposed Rule 5711(j))
- Currency Warrants (proposed Rule 5711(k))
- Paired Class Shares (proposed Rule 5713)
- Selected Equity-linked Debt Securities (“SEEDS”) (proposed Rule 5715)
- Trust Issued Receipts (proposed Rule 5720)
- Index Warrants (proposed Rule 5725)
- Other Securities (proposed Rule 5730)
- Contingent Value Rights (proposed Rule 5732)
- Managed Fund Shares (proposed Rule 5735)
- Derivative Securities Traded Under Unlisted Trading Privileges (proposed Rule 5740)
- Exchange-Traded Managed Fund Shares (“NextShares”) (proposed Rule 5745)
- Proxy Portfolio Shares (proposed Rule 5750)
- Managed Portfolio Shares (proposed Rule 5760)

The Exchange proposes to reserve Rule 5712 to maintain the same numbering as the Nasdaq Rule 5700 Series. Except for the non-substantive changes, conforming, and technical differences outlined above and described below, the rules are being adopted in substantially the same form as the Nasdaq rules.

Rule 5701 (Preamble to the Listing Requirements for Other Securities)

Proposed Rule 5701 is substantially similar to Nasdaq Rule 5701 and establishes the general framework for listing the above specified ETPs on the Exchange. In addition to certain non-substantive, technical, and conforming changes as described above (e.g., replacing “Nasdaq” with “Exchange”), proposed Rule 5701(a) will only provide that this section contains the requirements for listing other securities on the Exchange. In contrast, Nasdaq Rule 5701(a) provides that this section contains requirements for listing other securities on the Nasdaq Global Market and that in the event that a company’s primary security is listed on the Nasdaq Global Select Market, the other securities may be listed on the Nasdaq Global Select Market. As noted above, the Exchange only has a single tier of listing requirements instead of three listing tiers like Nasdaq.⁸ Accordingly, the Exchange will not carry over references to the different Nasdaq listing tiers in proposed Rule 5701(a).

Rule 5702 (Debt Securities)

Proposed Rule 5702 is substantially similar to Nasdaq Rule 5702 and establishes requirements for listing non-convertible bonds on the Exchange. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange proposes to add the Exchange to the list of national securities exchanges in proposed Rule 5702(a)(2)(A) – (C). The Exchange further proposes to replace the reference to the “Nasdaq Bond Exchange” in Nasdaq Rule 5702(c) with the “Exchange” in proposed Rule 5702(c). Otherwise there are no substantive differences between the proposed rule and Nasdaq Rule 5702.

Rule 5703 (Class ETF Shares)

Proposed Rule 5703 is materially identical to Nasdaq Rule 5703 and permits the listing and trading of class ETF shares, which are exchange-traded shares of a multi-class fund that

⁸ See supra note 4.

operates as an exchange-traded fund pursuant to exemptive relief granted by order under the Investment Company Act of 1940 (the “1940 Act”), and is in compliance the conditions and requirements of Rule 6c-11 under the 1940 Act. There are no substantive differences between the proposed rule and Nasdaq Rule 5703.

Rule 5704 (Exchange Traded Fund Shares)

Proposed Rule 5704 is substantially similar to Nasdaq Rule 5704 and establishes listing standards for exchange traded fund shares, which are shares of an “Exchange Traded Fund” or “ETF” as defined in Rule 6c-11 under the 1940 Act. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the “Night Session” in Nasdaq Rule 5704(b)(1)(C) to proposed Rule 5704(b)(1)(C) as there is no such trading session on the Exchange. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5704.

Rule 5705(a) (Portfolio Depository Receipts)

Proposed Rule 5705(a) is substantially similar to Nasdaq Rule 5705(a) and establishes listing standards for portfolio depository receipts, a security based on a unit investment trust that holds securities comprising an index or portfolio underlying a series of portfolio depository receipts. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the Nasdaq Capital Market in Nasdaq Rule 5705(a)(3)(A)(i)e. to proposed Rule 5705(a)(3)(A)(i)e. because the Exchange will only have one listing market instead of three like Nasdaq.⁹ The Exchange will also not port over the reference to the “Night Session” in Nasdaq Rule 5705(a)(7) to proposed Rule 5705(a)(7) as there

⁹ See supra note 4.

is no such trading session on the Exchange. Otherwise there are no substantive differences between the proposed rule and Nasdaq Rule 5705(a).

Rule 5705(b) (Index Fund Shares)

Proposed Rule 5705(b) is substantially similar to Nasdaq Rule 5705(b) and establishes listing standards for Index Fund Shares, which are securities that are issued by an open-end management investment company based on a portfolio of stocks or fixed income securities (or a combination thereof) that seek to provide investment results that correspond generally to the price and yield performance or total return performance of a specified foreign or domestic stock index, fixed income securities index or combination thereof. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange will not port over the reference to the Nasdaq Capital Market in Nasdaq Rule 5705(b)(3)(A)(i)e. to proposed Rule 5705(b)(3)(A)(i)e. because the Exchange will only have one listing market instead of three like Nasdaq.¹⁰ The Exchange will also not port over the reference to the “Night Session” in Nasdaq Rule 5705(b)(7) to proposed Rule 5705(b)(7) as there is no such trading session on the Exchange. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5705(b).

Rule 5710 (Linked Securities)

Proposed Rule 5710 is materially identical to Nasdaq Rule 5710 and establishes listing standards for exchange-traded notes. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5710.

¹⁰ See supra note 4.

Rule 5711(a) (Index-Linked Exchangeable Notes)

Proposed Rule 5711(a) is substantially similar to Nasdaq Rule 5711(a) and establishes listing standards for index-linked exchangeable notes, which are debt securities exchangeable at the option of the holder (subject to certain requirements). In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5711(a). To qualify for listing and trading under Nasdaq Rule 5711(a), an index to which an exchangeable note is linked and its underlying securities must meet (1) the procedures in NOM Rules Chapter XIV, Section 6(b) and (c), or (2) the criteria set forth in Nasdaq Rules 5715(b)(3) and (4), the index concentration limits set forth in NOM Rule Chapter XIV, Section 6, and NOM Rule Chapter XIV, Section 6(b)(12) insofar as it relates to NOM Rule Chapter XIV, Section 6(b)(6).¹¹ The Exchange instead proposes to point to comparable rules on its options market rather than to NOM rules. Accordingly, the Exchange proposes to apply the criteria set forth in Options 4A, Sections 4(b), 4(b)(6), 4(b)(12), and 4(c) in determining whether an index underlying an index-linked exchangeable note satisfies the requirements of proposed Rule 5711(a)(iv)(A) and (B).¹² Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(a).

¹¹ These NOM (i.e., Nasdaq Options Market) rule references are obsolete as Nasdaq has since relocated its rules (including these NOM rules) to another place in the Nasdaq rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-28>. The correct rule references should be to Nasdaq Options 4A, Sections 4(b), 4(b)(6), 4(b)(12), and 4(c). The foregoing rules set forth criteria for narrow-based and micro narrow-based indexes on which an options contract may be listed on NOM.

¹² The Exchange has substantially the same numbering system as Nasdaq for both its previous and current rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-25>.

Rule 5711(b) (Equity Gold Shares)

Proposed Rule 5711(b) is materially identical to Nasdaq Rule 5711(b) and establishes listing standards for equity gold shares, which represent units of fractional undivided beneficial interest in and ownership of the Equity Gold Trust. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(b).

Rule 5711(c) (Trust Certificates)

Proposed Rule 5711(c) is materially identical to Nasdaq Rule 5711(c) and establishes listing standards for trust certificates, which represent an interest in a special purpose trust created pursuant to a trust agreement. Other than certain non-substantive, technical, and conforming changes described above and to replace the reference to “Nasdaq Options Market” in Nasdaq Commentary .08 to Rule 5711(c) with “NTX Options” in proposed Commentary .08 to Rule 5711(c), there are no substantive differences between the proposed rule and Nasdaq Rule 5711(c).

Rule 5711(d) (Commodity-Based Trust Shares)

Proposed Rule 5711(d) is materially identical to Nasdaq Rule 5711(d) and establishes listing standards for commodity-based trust shares, which are securities issued by a trust or other similar entity that is not registered as an investment company pursuant to the 1940 Act and that holds commodities and/or commodity-based assets, and in addition to such commodities and/or commodity-based assets, may hold securities, cash, and cash equivalents. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange proposes to refer to Equity 1, Section 1(a)(13) in proposed Commentary .02 to Rule 5711(d) to specify the trading hours of the Exchange. In contrast, Commentary .02 to Nasdaq Rule 5711(d) points to

Nasdaq Rule 4120. Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(d).

Rule 5711(e) (Currency Trust Shares)

Proposed Rule 5711(e) is materially identical to Nasdaq Rule 5711(e) and establishes listing standards for currency trust shares, which are securities issued by a trust that holds a specified non-U.S. currency or currencies deposited with the trust. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(e).

Rule 5711(f) (Commodity Index Trust Shares)

Proposed Rule 5711(f) is materially identical to Nasdaq Rule 5711(f) and establishes listing standards for commodity index trust shares, which are securities issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds long positions in futures contracts on a specified commodity index, or interests in a commodity pool which, in turn, holds such long positions. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(f).

Rule 5711(g) (Commodity Futures Trust Shares)

Proposed Rule 5711(g) is materially identical to Nasdaq Rule 5711(g) and establishes listing standards for commodity futures trust shares, which are securities issued by a trust that is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and that holds positions in futures contracts that track the performance of a

specified commodity, or interests in a commodity pool which, in turn, holds such positions.

Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(g).

Rule 5711(h) (Partnership Units)

Proposed Rule 5711(h) is materially identical to Nasdaq Rule 5711(h) and establishes listing standards for partnership units, which are securities issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities and/or securities. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(h).

Rule 5711(i) (Trust Units)

Proposed Rule 5711(i) is materially identical to Nasdaq Rule 5711(i) and establishes listing standards for trust units, which are securities issued by a trust or other similar entity that is constituted as a commodity pool that holds investments comprising or otherwise based on any combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(i).

Rule 5711(j) (Managed Trust Securities)

Proposed Rule 5711(j) is materially identical to Nasdaq Rule 5711(j) and establishes listing standards for managed trust securities, a security that is issued by a trust that (a) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, and that is managed by a commodity pool operator registered with the Commodity Futures Trading

Commission, and (b) holds long and/or short positions in exchange-traded futures contracts and/or certain currency forward contracts selected by the trust's advisor consistent with the trust's investment objectives, which will only include exchange-traded futures contracts involving commodities, currencies, stock indices, fixed income indices, interest rates and sovereign, private and mortgage or asset backed debt instruments, and/or forward contracts on specified currencies. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(j).

Rule 5711(k) (Currency Warrants)

Proposed Rule 5711(k) is substantially similar to Nasdaq Rule 5711(k) and establishes listing standards for currency warrants. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5711(k). To qualify for listing and trading under Nasdaq Rule 5711(k), currency warrants must meet the requirements under Nasdaq Rule 5711(k)(v) (Regulatory Matters). Nasdaq Rule 5711(k)(v) sets forth a number of NOM rule references that apply to currency warrants listed on Nasdaq around, for example, suitability, discretionary accounts, and supervision of accounts. Nasdaq Rule 5711(k)(v) therefore references NOM Rules Chapter XI, Sections 7 – 10 and 24.¹³ The Exchange instead proposes to point to comparable rules on its options market rather than to NOM rules. Accordingly, the Exchange proposes to require that currency warrants satisfy the criteria set forth in Options 10,

¹³ These NOM rule references are obsolete as Nasdaq has since relocated its rules (including these NOM rules) to another place in the Nasdaq rulebook. See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-28>. The correct rule references should be to Nasdaq Options 10, Sections 6-9 and 22.

Sections 6 – 9 and 22 in proposed Rule 5711(k)(v).¹⁴ Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5711(k).

Rule 5713 (Paired Class Shares)

Proposed Rule 5713 is materially identical to Nasdaq Rule 5713 and permits the listing and trading of Paired Class Shares, a security that is issued by a trust on behalf of a segregated series (i.e., the fund) as part of a pair of shares of opposing classes whose respective underlying values move in opposite directions as the value of the fund's underlying benchmark varies from its starting level, where one constituent of the pair is positively linked to the fund's underlying benchmark and the other constituent is inversely linked to the fund's underlying benchmark. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5713.

Rule 5715 (Selected Equity-linked Debt Securities ("SEEDS"))

Proposed Rule 5715 is substantially similar to Nasdaq Rule 5715 and permits the listing and trading of SEEDS, which are limited-term, non-convertible debt securities of a company where the value of the debt is based, at least in part, on the value of up to thirty (30) other issuers' common stock or non-convertible preferred stock (or sponsored American Depositary Receipts overlying such equity securities). In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5715:

- Replace the references to the “Nasdaq Global Market” or “Nasdaq Global Select Market”¹⁵ in the introductory paragraph of Nasdaq Rule 5715(b) with “the Exchange”

¹⁴ See <https://www.nasdaqtrader.com/MicroNews.aspx?id=ORA2019-25>.

¹⁵ Nasdaq Rule 5715(b) incorrectly references this market as Nasdaq Global Select Market Selected.

in the introductory paragraph of proposed Rule 5715(b) because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁶

- Add the Exchange to the list of national securities exchanges in proposed Rule 5715(b)(1)(A) and (B), and (b)(2)(B)(ii).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5715.

Rule 5720 (Trust Issued Receipts)

Proposed Rule 5720 is materially identical to Nasdaq Rule 5720 and establishes listing standards for trust issued receipts, a security that is issued by a trust holding specified securities deposited with the Trust. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5720.

Rule 5725 (Index Warrants)

Proposed Rule 5725 is materially identical to Nasdaq Rule 5725 and establishes listing standards for index warrants, which are instruments that are direct obligations of the issuing company, either exercisable throughout their life (i.e., American style) or exercisable only on their expiration (i.e., European style), entitling the holder to a cash settlement in U.S. dollars to the extent that the index has declined below (for a put warrant) or increased above (for a call warrant) the pre-stated cash settlement value of the index. Other than certain non-substantive, technical, and conforming changes described above and replace one instance of “the Global Market” in Nasdaq Rule 5725(b)(1) with “the Exchange” in proposed Rule 5725(b)(1), there are no substantive differences between the proposed rule and Nasdaq Rule 5725.

¹⁶ See supra note 4.

Rule 5730 (Other Securities)

Proposed Rule 5730 is substantially similar to Nasdaq Rule 5730 and sets forth the listing requirements for securities not otherwise covered by the criteria in Rule 5400 or 5700 Series, provided the instrument is otherwise suited to trade through the facilities of the Exchange and meets the proposed listing requirements therein. In addition to certain non-substantive, technical, and conforming changes described above, the Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5730:

- Replace the references to the “Global Market” in Nasdaq Rule 5730(a)(1) with “the Exchange” in proposed Rule 5730(a)(1) because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁷
- Add the Exchange to the list of national securities exchanges in proposed Rule 5730(a)(2) and (3), and (b)(2)(B)(ii).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5730.

Rule 5732 (Contingent Value Rights)

Proposed Rule 5732 is substantially similar to Nasdaq Rule 5732 and sets forth the listing requirements for contingent value rights, which are unsecured obligations of the issuer and that provide for a possible cash payment either: (i) at maturity based upon the price performance of an affiliate’s equity security; or (ii) within a specified time period, upon the occurrence of a specified event or events related to the business of the issuer or an affiliate of the issuer. In addition to certain non-substantive, technical, and conforming changes described above, the

¹⁷ See supra note 4.

Exchange also proposes the following non-substantive differences between the proposed rule and Nasdaq Rule 5732:

- Replace the references to the “Global Market” in the introductory paragraph of Nasdaq Rule 5732 with “the Exchange” in the introductory paragraph of proposed Rule 5732 because the Exchange only has one listing tier versus the three listing tiers on Nasdaq.¹⁸
- Nasdaq Rule 5732(a)(2) and (3) provides that the company must satisfy the market value of unrestricted publicly held shares requirement in Nasdaq Rule 5315(f)(3)(A) and Nasdaq Rule 5315(f)(2)(A) and (B), as applicable. Nasdaq Rule 5300 sets forth the listing standards the Nasdaq Global Select Market. The Exchange only adopted listing standards based on the Nasdaq Global Market in the 5400 Series, and did not adopt listing standards comparable to the Nasdaq 5300 Series.¹⁹ The Exchange thus proposes to retain the same substantive listing standards of Nasdaq Rule 5315(f)(3)(A) and Nasdaq Rule 5315(f)(2)(A) and (B) in proposed Rule 5732(a)(2) and (3), and will therefore keep the references to these specific Nasdaq rules in proposed Rule 5732(a)(2) and (3).

Otherwise, there are no substantive differences between the proposed rule and Nasdaq Rule 5732.

Rule 5735 (Managed Fund Shares)

Proposed Rule 5735 is materially identical to Nasdaq Rule 5735 and establishes listing standards for managed fund shares, which are securities issued by an open-end management

¹⁸ See supra note 4.

¹⁹ See supra note 4.

investment company that is actively managed and does not seek to replicate the performance of a specified index. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5735.

Rule 5740 (UTP Derivative Securities)

Proposed Rule 5740 is materially identical to Nasdaq Rule 5740 and governs the trading of derivative securities pursuant to unlisted trading privileges. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5740.

Rule 5745 (NextShares)

Proposed Rule 5745 is materially identical to Nasdaq Rule 5745 and establishes listing standards for NextShares, a security that represents an interest in a registered investment company (“NextShares Fund”) organized as an open-end management investment company that invests in a portfolio of securities and other assets selected and managed by the NextShares Fund’s investment adviser consistent with the NextShares Fund’s investment objectives and policies. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5745.

Rule 5750 (Proxy Portfolio Shares)

Proposed Rule 5750 is materially identical to Nasdaq Rule 5750 and establishes listing standards for proxy portfolio shares, a security that represents an interest in an investment company registered under the 1940 Act organized as an open-end management investment company that invests in a portfolio of securities selected by the investment company’s investment adviser consistent with the investment company’s investment objectives and policies. There are no substantive differences between the proposed rule and Nasdaq Rule 5750.

Rule 5760 (Managed Portfolio Shares)

Proposed Rule 5760 is materially identical to Nasdaq Rule 5760 and establishes listing standards for managed portfolio shares, a security that represents an interest in an investment company registered under the 1940 Act organized as an open-end management investment company, and that invests in a portfolio of securities selected by the investment company's investment adviser consistent with the investment company's investment objectives and policies. Other than certain non-substantive, technical, and conforming changes described above, there are no substantive differences between the proposed rule and Nasdaq Rule 5760.

Other Proposed Changes

The Exchange's current ETP listing rules are in Equity 3A. As these rules will be superseded by the ETP listing rules in the proposed Rule 5700 Series, the Exchange proposes to delete the current listing rules by removing all provisions in Equity 3A and reserving this chapter.

The Exchange also proposes to amend the definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) by conforming this term with the definition of "Derivative Securities Product" in Nasdaq Equity 4, Rule 4120(b)(4)(A).²⁰ The Exchange believes that the proposed change would ensure that the amended definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) reflects a complete list of Derivative Securities Products that may trade on the Exchange, thereby improving the clarity and transparency of Exchange rules.

²⁰ Nasdaq Equity 4, Rule 4120(b)(4)(A) provides that Derivative Securities Product means a series of Exchange Traded Fund Shares, Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, NextShares, Trust Issued Receipts, or Proxy Portfolio Shares (as defined in Rules 5704, 5705, 5735, 5745, 5720, and 5750 respectively), a series of Commodity-Related Securities (as defined in Equity 10, Section 8), securities representing interests in unit investment trusts or investment companies, Index-Linked Exchangeable Notes, Equity Gold Shares, Trust Certificates, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Securities, or Currency Warrants (as defined in Rule 5711(a) - (k)), Class ETF Shares (as defined in Rule 5703), or any other UTP Derivative Security (as defined in Rule 5740).

The Exchange also proposes to amend Equity 4, Rule 4120(b) to add ETP-specific halt provisions that are substantially similar to Nasdaq’s ETP-specific halt provisions. First, the Exchange may declare a Regulatory Halt²¹ in index warrants when underlying stocks representing 20% or more of the index value are halted, the current index calculation is unavailable, or other unusual conditions exist that are detrimental to fair and orderly markets.²² Second, the Exchange may declare a Regulatory Halt in certain ETPs when the intraday indicative value or applicable index value stops being disseminated, or when trading in the underlying securities has been halted or substantially ceased in the primary markets, or other unusual conditions exist that are detrimental to fair and orderly markets.²³ Third, the Exchange must declare a Regulatory Halt in Derivative Securities Products when it becomes aware that the net asset value, disclosed portfolio, composition file, or proxy basket is not being disseminated to all market participants at the same time until such time that the net asset value, disclosed portfolio, composition file, or proxy basket is available to all market participants.²⁴

Surveillance

The Exchange represents that listed ETPs would be subject to the existing trading surveillances administered by the Exchange, as well as cross-market surveillances administered by FINRA on behalf of the Exchange, which are designed to detect violations of Exchange rules

²¹ “Regulatory Halt” has the same meaning as in Section X.A.10 of the Nasdaq UTP Plan. See Equity 4, Rule 4120(a)(9).

²² See proposed Equity 4, Rule 4120(b)(1)(A)(v), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(8) other than the non-substantive, technical, and conforming changes to replace “Nasdaq” with the “Exchange.”

²³ See proposed Equity 4, Rule 4120(b)(1)(A)(vi), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(9) other than the non-substantive, technical, and conforming changes to replace “Nasdaq” with the “Exchange.”

²⁴ See proposed Equity 4, Rule 4120(b)(1)(A)(vii), which is substantially similar to Nasdaq Equity 4, Rule 4120(a)(11) other than the non-substantive, technical, and conforming changes to replace “Nasdaq” with the “Exchange” and to update the cross citation to the definition of “Derivative Securities Product” to Rule 4120(a)(1).

and applicable federal securities laws. The Exchange represents that these procedures are adequate to properly monitor the Exchange's listing and trading of ETPs in all trading sessions and to deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.

The surveillances referred to above generally focus on detecting securities trading outside their normal patterns which could be indicative of manipulative or other violative activity. When such situations are detected, surveillance analysis follows and investigations are opened, where appropriate, to review the behavior of relevant parties for relevant trading violations. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, with other markets and other entities that are members of the Intermarket Surveillance Group ("ISG"). The Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in ETPs and financial instruments from such markets and other entities. In addition, the Exchange may obtain information regarding trading in ETPs, as well as certain other securities and financial instruments underlying such ETPs, from markets and other entities with which the Exchange has in place a comprehensive surveillance sharing agreement. Further, the Exchange's affiliate, Nasdaq, currently list ETPs pursuant to rules that are substantially similar to the rules proposed by the Exchange in this filing.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,²⁵ in general, and furthers the objectives of Section 6(b)(5) of the Act,²⁶ in particular, in that it is

²⁵ 15 U.S.C. 78f(b).

²⁶ 15 U.S.C. 78f(b)(5).

designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism 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 rules will remove impediments to, and perfect the mechanism of, a free and open market and a national market system by allowing the Exchange to list and trade ETPs under rules that are substantially similar to the rules of Nasdaq. The Exchange believes that adopting the proposed Rule 5700 Series to permit the listing and trading of ETPs will promote competition among national securities exchanges by providing issuers with an additional venue for listing these products. The proposed rules are substantially similar to the rules of Nasdaq, which have been approved by the Commission and permit the listing and trading of ETPs pursuant to materially identical listing standards. The Commission has previously found that Nasdaq's ETP listing standards are consistent with the Act.²⁷ By basing the proposed ETP listing rules on the rules of the Exchange's affiliate, Nasdaq, the proposed rule change will promote continuity across affiliated exchanges, permitting ETPs to list and trade on the Exchange by meeting materially the same listing standards as on the Exchange's affiliated market. The proposed rules will require the dissemination of intraday indicative values, net asset values, and other information for listed ETPs and will authorize the Exchange to halt trading in instances where such information stops being disseminated to all market participants at the same time, ensuring that market participants and investors have the same access to information concerning the specified products. Consequently, the Exchange believes that

²⁷ See, e.g., Securities Exchange Act Release Nos. 66648 (March 23, 2012), 77 FR 19428 (March 30, 2012) (SR-NASDAQ-2012-013); 88561 (April 3, 2020), 85 FR 19984 (April 9, 2020) (SR-NASDAQ-2019-090); 103995 (September 17, 2025), 90 FR 45414 (September 22, 2025) (SR-NASDAQ-2025-056; SR-CboeBZX-2025-104; SR-NYSEARCA-2025-54); and 104252 (November 24, 2025), 90 FR 54781 (November 28, 2025) (SR-NASDAQ-2025-037).

adopting the proposed Rule 5700 Series would remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. Further, the proposed listing rules will apply equally to all issuers that seek to list ETPs on the Exchange and that satisfy the listing criterion.

The Exchange believes that the proposed rules are designed to prevent fraudulent and manipulative acts and practices. Trading in listed ETPs will be subject to existing Exchange trading rules, together with specific initial and continued listing standards and surveillance procedures. The proposed listing rules will require that issuers of securities listed under the proposed rules notify the Exchange regarding instances of non-compliance and indicate that deficiencies will be subject to the delisting process in the Rule 5800 Series. The Exchange believes that these proposed rules will enhance the Exchange's rules, thereby serving to improve the national market system and protect investors and the public interest. In addition, members would continue to be subject to the Exchange's structure for trading listed securities, including supervision and books and records requirements in General 9, Section 20 and Section 30. These provisions will enhance investor protection and market integrity.

The Exchange believes that the deletion of the superseded ETP listing rules in Equity 3A will remove impediments to and perfect the mechanisms of a free and open market by eliminating rules that would be superseded by the proposed Rule 5700 Series, thereby improving the clarity of the Exchange's rules, and enabling market participants to more easily navigate the Exchange's rules. The Exchange also believes that the proposed deletion of obsolete rule text would protect investors and the public interest by making the Exchange's rules more accessible and transparent. Similarly, the Exchange believes that modifying the definition of "Derivative Securities Product" in Equity 4, Rule 4120(a)(1) will protect investors and the public interest by

ensuring that this Rule reflects a complete list of Derivative Securities Products that may trade on the Exchange, thereby improving the clarity and transparency of Exchange rules.

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 not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change will adopt new rules that allow the Exchange to list and trade ETPs. The proposed rules will apply equally to all issuers that seek to list ETPs on the Exchange. Further, the proposed rule change will allow issuers to list ETPs on the Exchange under listing standards that are materially identical to those of Nasdaq (other than respect to certain non-substantive, technical, and conforming changes described above). This will enhance the Exchange's ability to compete with other exchanges that currently allow the listing of ETPs. The Exchange believes that the proposed rules will promote competition by providing another venue for listing ETPs.

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

No written comments were either solicited or received.

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 (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) by order approve or disapprove such 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. Please include file number SR-NasdaqTX-2026-021 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-NasdaqTX-2026-021. 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-NasdaqTX-2026-021 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.²⁸

Sherry R. Haywood,

Assistant Secretary.

²⁸

17 CFR 200.30-3(a)(12).

EXHIBIT 5

The text of the proposed rule change is detailed below; proposed new language is underlined and proposed deletions are in brackets.

NASDAQ TEXAS, LLC RULES**The Qualification, Listing and Delisting of Companies****5000. NASDAQ TEXAS LISTING RULES**

* * * * *

5700. OTHER SECURITIES**5701. Preamble to the Listing Requirements for Other Securities**

(a) This section contains the requirements for listing other securities on the Exchange.

(b) The replacement of, or any significant modification to, the index, portfolio, or Reference Asset underlying a security listed under this Rule 5700 Series (including, but not limited to, a significant modification to the index methodology, a change in the index provider, or a change in control of the index provider) is considered a Substitution Listing Event. The Company must notify the Exchange at least fifteen calendar days in advance of the effective date of any Substitution Listing Event. Companies should note that these types of changes may affect the Company's compliance with the listing requirements and may require the Exchange to file a new rule filing pursuant to Section 19(b)(1) of the Act and for such rule filing to be approved by the SEC or otherwise take effect (as applicable), before the product subject to the Substitution Listing Event can be listed or traded. The Exchange has sole discretion as to whether it chooses to submit a rule filing designed to permit the continued listing of the security and, if submitted, whether to withdraw such rule filing. As such, Companies are encouraged to consult with Exchange staff sufficiently in advance of such changes to allow review and preparation of a rule filing and SEC approval, if necessary.

(c) If a Company effectuates any change, including a Substitution Listing Event, which requires the filing of a proposed rule change pursuant to Section 19(b)(1) of the Act and such rule filing has not yet been approved by the SEC or has not yet taken effect (as applicable), then the Exchange will immediately halt trading in the applicable security until such rule filing is approved or takes effect. If a rule filing is required but the Exchange determines not to submit one or withdraws the rule filing after it is submitted, or the SEC disapproves the rule filing, the Exchange will immediately commence delisting procedures with respect to such security.

(d) A Company with securities listed under this Rule 5700 Series must provide the Exchange with prompt notification after the Company becomes aware of any noncompliance by the Company with the requirements of the Rule 5700 Series.

(e) The requirements of Listing Rule 5608 (Recovery of Erroneously Awarded Compensation) apply to any security listed under the Rule 5700 Series, except for:

- (1) Any security issued by a unit investment trust, as defined in 15 U.S.C. 80a-4(2);
- (2) Any security issued by a management company, as defined in 15 U.S.C. 80a-4(3), that is registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8), if such management company has not awarded incentive-based compensation to any executive officer of the company in any of the last three fiscal years, or in the case of a company that has been listed for less than three fiscal years, since the listing of the company

5702. Debt Securities (Other than Convertible Debt)

(a) For initial listing of a non-convertible bond, the following conditions must be satisfied:

- (1) the principal amount outstanding or market value must be at least \$5 million; and
- (2) the security must be characterized by one of the following conditions:
 - (A) the issuer of the non-convertible bond must have one class of equity security that is listed on the Exchange, Nasdaq, NYSE American or the New York Stock Exchange ("NYSE");
 - (B) an issuer of equity securities listed on the Exchange, Nasdaq, NYSE American or NYSE directly or indirectly owns a majority interest in, or is under common control with, the issuer of the non-convertible bond;
 - (C) an issuer of equity securities listed on the Exchange, Nasdaq, NYSE American or NYSE has guaranteed the non-convertible bond;
 - (D) a nationally recognized securities rating organization (an "NRSRO") has assigned a current rating to the non-convertible bond that is no lower than an S&P Corporation "B" rating or equivalent rating by another NRSRO; or
 - (E) if no NRSRO has assigned a rating to the issue, an NRSRO has currently assigned:
 - (i) an investment grade rating to an immediately senior issue; or
 - (ii) a rating that is no lower than an S&P Corporation "B" rating, or an equivalent rating by another NRSRO, to a pari passu or junior issue.

(b) A non-convertible bond must meet the following requirements for continued listing:

- (1) the market value or principal amount of non-convertible bonds outstanding is at least \$400,000; and

(2) the issuer must be able to meet its obligations on the listed non-convertible bonds.

(c) As is required by, and in accordance with the procedures set forth in, Rule 5250(b)(1) and IM-5250-1, a Company that has non-convertible bonds listed on the Exchange must make prompt public disclosure of material information that would reasonably be expected to affect the value of its listed bonds or influence investors' decisions regarding such bonds and must provide notice of such disclosure to the Exchange's MarketWatch Department. For avoidance of doubt, this obligation includes material information about the Company's equity securities to the extent the information would reasonably be expected to affect the value of, or influence investors' decisions to invest in, the listed bonds, even if those equity securities are listed on another national securities exchange.

(d) An issuer whose only securities listed on the Exchange are non-convertible bonds listed under this Rule 5702 is exempt from the requirements relating to Independent Directors (as set forth in Rule 5605(b)), Compensation Committees (as set forth in Rule 5605(d)), Director Nominations (as set forth in Rule 5605(e)), Codes of Conduct (as set forth in Rule 5610), Meetings of Shareholders (as set forth in Rule 5620(a)), Shareholder Approval (as set forth in Rule 5635) and Voting Rights (as set forth in Rule 5640). In addition, these issuers are exempt from the requirements relating to Audit Committees (as set forth in Rule 5605(c)), except for the applicable requirements of SEC Rule 10A-3.

(e) An issuer of non-convertible bonds listed under this Rule 5702 is subject to the requirements of Listing Rule 5608 (Recovery of Erroneously Awarded Compensation).

5703. Class ETF Shares

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Class ETF Shares (as defined below) that meet the criteria of this Rule.

(b) **Applicability.** This Rule is applicable only to Class ETF Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Class ETF Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.

(1) Transactions in Class ETF Shares will occur throughout the Exchange's trading hours.

(2) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for Class ETF Shares.

(c) **Definitions.** The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(1) **Class ETF Shares.** The term "Class ETF Shares" means shares of the ETF Class issued by a Multi-Class Fund.

(2) **ETF Class.** The term “ETF Class” means the class of exchange-traded shares of a Multi-Class Fund that (i) operates as an exchange-traded fund pursuant to exemptive relief granted by order under the Investment Company Act of 1940 (“Multi-Class Fund Exemptive Relief”), and (ii) is in compliance with the requirements of Rules 5703(d)(ii) and 5703(d)(2)(A)(i)(2) below on an initial and continued listing basis.

(3) **Multi-Class Fund.** The term “Multi-Class Fund” means a registered open-end management company that (i) pursuant to Multi-Class Fund Exemptive Relief, issues Class ETF Shares and one or more classes of shares that are not exchange traded, and (ii) is in compliance with the conditions and requirements of the Multi-Class Fund Exemptive Relief.

(4) **Reporting Authority.** The term “Reporting Authority” in respect of a particular Multi-Class Fund means the Exchange, an institution, or a reporting service designated by the Exchange or by the exchange that lists Class ETF Shares (if the Exchange is trading such securities pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such Multi-Class Fund, including, but not limited to, the amount of any dividend equivalent payment or cash distribution to holders of Class ETF Shares, net asset value, index or portfolio value, the current value of the portfolio of securities required to be deposited in connection with the issuance of Class ETF Shares, or other information relating to the issuance, redemption or trading of Class ETF Shares. A Multi-Class Fund may have more than one Reporting Authority, each having different functions.

(d) **Initial and Continued Listing.** The Exchange may approve Class ETF Shares of a Multi-Class Fund for listing and/or trading (including pursuant to unlisted trading privileges) on the Exchange pursuant to Rule 19b-4(e) under the Act, provided that: (i) the Multi-Class Fund is eligible to operate an ETF Class as an exchange-traded fund pursuant to, and is otherwise in compliance with the terms and conditions of, the Multi-Class Fund Exemptive Relief; (ii) the ETF Class is in compliance with the conditions and requirements of Rule 6c-11 under the Investment Company Act of 1940, except as noted in such Multi-Class Fund Exemptive Relief; and (iii) the ETF Class and the Multi-Class Fund each satisfies the requirements of this Rule 5703, as applicable, on an initial and continued listing basis.

(1) The requirements of paragraph (d) of this Rule must be satisfied by the Multi-Class Fund issuing the Class ETF Shares on an initial and continued listing basis. The Multi-Class Fund with respect to such Class ETF Shares must also satisfy the following criteria on an initial and, except for sub-paragraph (A) below, continued listing basis:

(A) For each Multi-Class Fund, the Exchange will establish a minimum number of Class ETF Shares required to be outstanding at the time of commencement of trading on the Exchange;

(B) If an index underlying a Multi-Class Fund is maintained by a broker-dealer or fund adviser, the broker-dealer or fund adviser shall erect and maintain a “fire wall” around the personnel who have access to information concerning changes and adjustments to the

index and the index shall be calculated by a third party who is not a broker-dealer or fund adviser. If the investment adviser to an actively managed Multi-Class Fund is affiliated with a broker-dealer, such investment adviser shall erect and maintain a “fire wall” between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such Multi-Class Fund’s portfolio; and

(C) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the composition, methodology, and related matters of an index underlying a Multi-Class Fund, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index. For actively managed Multi-Class Funds, personnel who make decisions on the portfolio composition must be subject to procedures designed to prevent the use and dissemination of material non-public information regarding the applicable portfolio.

(2) **Continued Listing.** Class ETF Shares of each Multi-Class Fund will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(A) **Suspension of trading or removal.** The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, Class ETF Shares under any of the following circumstances:

(i) if the Exchange becomes aware that, with respect to the Class ETF Shares: (1) the Multi-Class Fund is no longer eligible to operate an ETF Class as an exchange-traded fund pursuant to, or is otherwise no longer in compliance with the terms and conditions of, the Multi-Class Fund Exemptive Relief; or (2) the ETF Class is no longer in compliance with the conditions and requirements of Rule 6c-11 under the Investment Company Act of 1940, except as noted in such Multi-Class Fund Exemptive Relief;

(ii) if any of the other listing requirements set forth in this Rule are not continuously maintained;

(iii) if, following the initial twelve month period after commencement of trading on the Exchange of the Class ETF Shares, there are fewer than 50 beneficial holders of the Class ETF Shares for 30 or more consecutive trading days; or

(iv) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(B) **Termination.** With respect to the Class ETF Shares, upon termination of the Multi-Class Fund or the ETF Class, as the case may be, the Exchange requires that the Class ETF Shares be removed from Exchange listing.

(e) **Limitation of Exchange Liability.** Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value; the current value of the portfolio of securities required to be deposited to the Multi-Class Fund in connection with the issuance of Class ETF Shares; the amount of any dividend equivalent payment or cash distribution to holders of Class ETF Shares; net asset value; or other information relating to the purchase, redemption, or trading of Class ETF Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority, or any agent of the Exchange, or any act, condition, or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission, or delay in the reports of transactions in one or more underlying securities.

5704. Exchange Traded Fund Shares

(a) Exchange Traded Fund Shares

(1) **Definitions.** For the purpose of this Rule 5704, the following terms shall have the meaning herein specified:

(A) **Exchange Traded Funds.** The term "Exchange Traded Fund" has the same meaning as the term "exchange-traded fund" has in Rule 6c-11 under the Investment Company Act of 1940.

(B) **Exchange Traded Fund Share.** The term "Exchange Traded Fund Share" has the same meaning as it has in Rule 6c-11 under the Investment Company Act of 1940.

(C) **Reporting Authority.** The term "Reporting Authority" in respect of a particular series of Exchange Traded Fund Shares means the Exchange, a wholly-owned subsidiary of the Exchange, or an institution or reporting service designated by the Exchange or its subsidiary as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of any securities required to be deposited in connection with issuance of Exchange Traded Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Exchange Traded Fund Shares, net asset value, and other information relating to the issuance, redemption or trading of Exchange Traded Fund Shares.

Nothing in this paragraph shall imply that an institution or reporting service that is the source for calculating and reporting information relating to Exchange Traded Fund Shares must be designated by the Exchange; the term "Reporting Authority" shall not refer to an institution or reporting service not so designated.

(b) The Exchange may approve a series of Exchange Traded Fund Shares for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934, provided each series of

Exchange Traded Fund Shares is eligible to operate in reliance on Rule 6c-11 under the Investment Company Act of 1940 and must satisfy the requirements of this Rule 5704 on an initial and continued listing basis.

(1) Initial and Continued Listing. Each series of Exchange Traded Fund Shares must also satisfy the following criteria on an initial and continued listing (except for paragraph (A) below) basis:

(A) Initial Shares Outstanding. For each series of Exchange Traded Fund Shares, the Exchange will establish a minimum number of Exchange Traded Fund Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) Dissemination of Information. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If the investment adviser to an Exchange Traded Fund is affiliated with a broker-dealer, such investment adviser shall erect and maintain a "fire wall" between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to the underlying portfolio. Personnel who make decisions on the Exchange Traded Fund's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Exchange Traded Fund portfolio.

(ii) The Reporting Authority that provides the Exchange Traded Fund's portfolio must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the actual components of the portfolio.

(iii) If the index underlying a series of Exchange Traded Fund Shares is maintained by a broker-dealer or fund adviser, the broker-dealer or fund adviser shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund adviser;

(iv) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(C) Market Hours trading will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Exchange Traded Fund Shares, as specified by the Exchange. In addition, the Exchange may designate a series of Exchange Traded Fund Shares for trading during the Pre-Market Hours, and/or Post-Market Hours.

(D) The minimum price variation for quoting and entry of orders in Exchange Traded Fund Shares is \$0.01.

(2) Suspension of trading and removal. The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Exchange Traded Fund Shares under any of the following circumstances:

(A) if the Exchange becomes aware that the series of Exchange Traded Fund Shares is no longer eligible to operate in reliance on Rule 6c-11 under the Investment Company Act of 1940;

(B) if, following the initial twelve month period after commencement of trading on the Exchange of a series of Exchange Traded Fund Shares, there are fewer than 50 beneficial holders of such series of Exchange Traded Fund Shares;

(C) if any of the other requirements set forth in this Rule 5704 are not continuously maintained; or

(D) if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(c) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for Exchange Traded Fund Shares.

(d) Termination. Upon termination of an Exchange Traded Fund, the Exchange requires that each series of Exchange Traded Fund Shares issued in connection with such entity be removed from listing.

(e) Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value, the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of a series of Exchange Traded Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of a series of Exchange Traded Fund Shares; net asset value; or other information relating to the purchase, redemption or trading of a series of Exchange Traded Fund Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in one or more underlying securities.

(f) A security that has previously been approved for listing on the Exchange pursuant to the generic listing requirements specified in Rule 5705(b) or Rule 5735(b)(1), or pursuant to an approval of a proposed rule change or subject to a notice of effectiveness by the Commission,

may be considered for listing solely under this Rule 5704 if such security is eligible to operate in reliance on Rule 6c-11 under the Investment Company Act of 1940. At the time of listing of such security under this Rule 5704, the continued listing requirements applicable to such security will be those specified in paragraph (b) of this Rule 5704. Any requirements for listing as specified in Rule 5705(b) or 5735(b)(1), or an approval order or notice of effectiveness of a separate proposed rule change, that differ from the requirements of this Rule 5704 will no longer be applicable to such security.

5705. Exchange Traded Funds: Portfolio Depository Receipts and Index Fund Shares

(a) Portfolio Depository Receipts

(1) Definitions. The following terms shall, unless the context otherwise requires, have the meanings herein specified:

(A) Portfolio Depository Receipt. The term "Portfolio Depository Receipt" means a security:

(i) that is based on a unit investment trust ("Trust") which holds the securities which comprise an index or portfolio underlying a series of Portfolio Depository Receipts;

(ii) that is issued by the Trust in a specified aggregate minimum number in return for a "Portfolio Deposit" consisting of specified numbers of shares of stock and/or a cash amount, a specified portfolio of fixed income securities and/or a cash amount and/or a combination of the above;

(iii) that, when aggregated in the same specified minimum number, may be redeemed from the Trust which will pay to the redeeming holder the stock and/or cash, fixed income securities and/or cash and/or a combination thereof then comprising the "Portfolio Deposit"; and

(iv) that pays holders a periodic cash payment corresponding to the regular cash dividends or distributions declared with respect to the component securities of the securities index or portfolio of securities underlying the Portfolio Depository Receipts, less certain expenses and other charges as set forth in the Trust prospectus.

(B) Reporting Authority. The term "Reporting Authority" in respect to a particular series of Portfolio Depository Receipts means the Exchange, a wholly-owned subsidiary of the Exchange, an institution (including the Trustee for a series of Portfolio Depository Receipts), or a reporting service designated by the Exchange or its subsidiary as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of securities required to be deposited to the Trust in connection with issuance of Portfolio Depository Receipts; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depository Receipts, net asset value, and other information relating to the creation, redemption or trading of Portfolio Depository Receipts.

Nothing in this paragraph shall imply that an institution or reporting service that is the source for calculating and reporting information relating to Portfolio Depository Receipts must be designated by the Exchange; the term "Reporting Authority" shall not refer to an institution or reporting service not so designated.

(C) U.S. Component Stock. The term "U.S. Component Stock" shall mean an equity security that is registered under Sections 12(b) or 12(g) of the Act, or an American Depository Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

(D) Non-U.S. Component Stock. The term "Non-U.S. Component Stock" shall mean an equity security that (a) is not registered under Sections 12(b) or 12(g) of the Act, (b) is issued by an entity that is not organized, domiciled or incorporated in the United States, and (c) is issued by an entity that is an operating company (including Real Estate Investment Trusts (REITs) and income trusts, but excluding investment trusts, unit trusts, mutual funds, and derivatives).

(2) The Exchange requires that Members provide to all purchasers of a series of Portfolio Depository Receipts a written description of the terms and characteristics of such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include such a written description with any sales material relating to a series of Portfolio Depository Receipts that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to a series of Portfolio Depository Receipts as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the series of Portfolio Depository Receipts] has been prepared by [Trust name] and is available from your broker or the Exchange. It is recommended that you obtain and review such circular before purchasing [the series of Portfolio Depository Receipts]. In addition, upon request you may obtain from your broker a prospectus for [the series of Portfolio Depository Receipts]."

A Member carrying an omnibus account for a non-Member broker-dealer is required to inform such non-Member that execution of an order to purchase a series of Portfolio Depository Receipts for such omnibus account will be deemed to constitute agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to Members and member organizations under this rule.

Upon request of a customer, a Member shall also provide a prospectus for the particular series of Portfolio Depository Receipts.

(3) Equity. The Exchange may approve a series of Portfolio Depository Receipts for listing and trading pursuant to Rule 19b-4(e) under the Act, provided each of the following criteria is satisfied:

(A) Eligibility Criteria for Index Components.

(i) U.S. Index or Portfolio. Component stocks of an index or portfolio of U.S. Component Stocks underlying such series of Portfolio Depository Receipts listed pursuant to Rule 19b-4(e) under the Act shall meet the following criteria on an initial and continued listing basis:

a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$75 million;

b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum monthly trading volume during each of the last six months of at least 250,000 shares;

c. The most heavily weighted component stock shall not exceed 30% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 65% of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 13 component stocks; and

e. All securities in the index or portfolio shall be U.S. Component Stocks listed on the Exchange or another national securities exchange and shall be NMS Stocks as defined in Rule 600 of Regulation NMS under the Act.

(ii) International or global index or portfolio. Components of an index or portfolio underlying a series of Portfolio Depository Receipts listed pursuant to Rule 19b-4(e) under the Act that consist of either only Non-U.S. Component Stocks or both U.S. Component Stocks and Non-U.S. Component Stocks shall meet the following criteria on an initial and continued listing basis:

a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$100 million;

b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum worldwide monthly trading volume during each of the last six months of at least 250,000 shares;

c. The most heavily weighted component stock shall not exceed 25% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 60% of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 20 component stocks; and

e. Each U.S. Component Stock shall be listed on a national securities exchange and shall be an NMS Stock as defined in Rule 600 of Regulation NMS under the

Act, and each Non-U.S. Component Stock shall be listed and traded on an exchange that has last-sale reporting.

(iii) Index or portfolio approved in connection with derivative securities. For the initial and continued listing of a series of Portfolio Depository Receipts pursuant to Rule 19b-4(e) under the Act, the index or portfolio underlying a series of Portfolio Depository Receipts shall have been reviewed and approved for trading of options, Portfolio Depository Receipts, Index Fund Shares, index-linked exchangeable notes, or index-linked securities by the Commission under Section 19(b) of the Act and rules thereunder, and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements with respect to Non-U.S. Component Stocks and the requirements regarding dissemination of information, must continue to be satisfied. On an initial and continued listing basis, each component stock of the index or portfolio shall be either

a. a U.S. Component Stock that is listed on a national securities exchange and is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act; or

b. a Non-U.S. Component Stock that is listed and traded on an exchange that has last-sale reporting.

(B) Index Methodology and Calculation. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current index value for Portfolio Depository Receipts listed pursuant to:

a. Rule 5705(a)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Market Hours.

b. Rule 5705(a)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Exchange's Market Hours; or

c. Rule 5705(a)(3)(A)(iii) will be widely disseminated by one or more major market data vendors at least every 15 seconds with respect to indexes containing only U.S. Component Stocks and at least every 60 seconds with respect to indexes containing Non-U.S. Component Stocks, during the Exchange's Market Hours.

If the index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of Non-U.S. Component Stocks

because of time zone differences or holidays in the countries where such indexes' component stocks trade), then the last official calculated index value must remain available throughout the Exchange's trading hours; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index or portfolio composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(C) Disseminated Information. The Reporting Authority will disseminate for each series of Portfolio Depository Receipts an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value") during the Exchange's Market Hours. The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value will be updated at least every 15 seconds during the Exchange's Market Hours to reflect changes in the exchange rate between the U.S. dollar and the currency in which any component stock is denominated. If the Intraday Indicative Value does not change during some or all of the period when trading is occurring on the Exchange, then the last official calculated Intraday Indicative Value must remain available throughout the Exchange's trading hours. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(D) Initial Shares Outstanding. A minimum of 100,000 shares of a series of Portfolio Depository Receipts is required to be outstanding at start-up of trading.

(E) Surveillance Procedures. FINRA will implement written and maintain surveillance procedures for Portfolio Depository Receipts.

(F) Creation and redemption. For Portfolio Depository Receipts listed pursuant to Rule 5705(a)(3)(A)(ii) or (iii) above, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Portfolio Depository Receipts must state that the Trust must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(4) Fixed Income. Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or subdivision thereof. The Exchange may approve a series of Portfolio Depository Receipts based on Fixed Income Securities for listing and trading pursuant to Rule 19b-4(e) under the Act provided such portfolio or index: (i) has been

reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b) of the Act and the rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) the following criteria are satisfied:

(A) Eligibility Criteria for Index Components. Components of an index or portfolio that underlies a series of Portfolio Depository Receipts listed pursuant to Rule 19b-4(e) under the Act shall meet the following criteria on an initial and continued listing basis:

(i) The index or portfolio must consist of Fixed Income Securities;

(ii) Components that in aggregate account for at least 75% of the weight of the index or portfolio must have a minimum original principal amount outstanding of \$100 million or more;

(iii) A component may be a convertible security, however, once the convertible security component converts to an underlying equity security, the component is removed from the index or portfolio;

(iv) No component fixed-income security (excluding Treasury Securities) will represent more than 30% of the weight of the index or portfolio, and the five highest weighted component fixed-income securities do not in the aggregate account for more than 65% of the weight of the index or portfolio;

(v) An underlying index or portfolio (excluding exempted securities) must include securities from a minimum of 13 non-affiliated issuers; and

(vi) Component securities that in aggregate account for at least 90% of the weight of the index or portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Act; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds, debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; (d) exempted securities as defined in section 3(a)(12) of the Act; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.

(B) Index Methodology and Calculation. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current index value will be widely disseminated by one or more major market data vendors at least once per day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(5) The Exchange may approve a series of Portfolio Depositary Receipts based on a combination of indexes or an index or portfolio of component securities representing the U.S. equity market, the international equity market, and the fixed income market for listing and trading pursuant to Rule 19b-4(e) under the Act provided: (i) each index has been reviewed and approved for the trading of options, Portfolio Depositary Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b) of the Act and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) each index or portfolio of equity and fixed income component securities separately meets either the criteria set forth in Rule 5705(a)(3) or (4) above. After the Exchange approves a series for listing and trading pursuant to this paragraph (5), such series of Portfolio Depositary Receipts shall continue to meet the requirements of sections (i) and (ii) in this paragraph (5), as applicable, on a continued listing basis.

(A) **Index Methodology and Calculation.** All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If an index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current composite index value will be widely disseminated by one or more major market data vendors at least once every 15 seconds during the Market Hours, provided however, that (a) with respect to the Non-U.S. Component Stocks of the combination index, the impact on the index is only required to be updated at least every 60 seconds during the Market Hours, and (b) with respect to the fixed income components of the combination index the impact on the index is only required to be updated at least once each day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(6) The following provisions shall apply to all series of Portfolio Depository Receipts listed pursuant to Rules 5705(a)(4) and (5) above:

(A) **Disseminated Information.** The Reporting Authority will disseminate for each series of Portfolio Depository Receipts an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value"). The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value may be calculated by the Exchange or by an independent third party throughout the day using prices obtained from independent market data providers or other independent pricing sources such as a broker-dealer or price evaluation services. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(B) **Initial Shares Outstanding.** A minimum of 100,000 shares of a series of Portfolio Depository Receipts is required to be outstanding at start-up of trading.

(C) **Surveillance Procedures.** FINRA will implement and maintain written surveillance procedures for Portfolio Depository Receipts.

(7) Market Hours trading will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Portfolio Depository Receipts, as specified by the Exchange. In addition, the Exchange may designate each series of Portfolio Depository Receipts for trading during a Pre-Market Hours, and/or Post-Market Hours.

(8) The Exchange may list and trade Portfolio Depository Receipts based on one or more indexes or portfolios. The Portfolio Depository Receipts based on each particular index or portfolio, or combination thereof, shall be designated as a separate series and shall be identified by a unique symbol. The components of an index or portfolio on which Portfolio Depository Receipts are based shall be selected by the Exchange or its agent, a wholly-owned subsidiary of the Exchange, or by such other person as shall have a proprietary interest in and authorized use of such index or portfolio, and may be revised from time to time as may be deemed necessary or appropriate to maintain the quality and character of the index or portfolio.

(9) A Trust upon which a series of Portfolio Depository Receipts is based will be listed and traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing** —

(i) for each Trust, the Exchange will establish a minimum number of Portfolio Depository Receipts required to be outstanding at the time of commencement of trading on the Exchange.

(ii) The Exchange will obtain a representation from the issuer of each series of Portfolio Depository Receipts that the net asset value per share for the series will be calculated daily and will be made available to all market participants at the same time.

(B) Continued Listing —

(i) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a Trust upon which a series of Portfolio Depository Receipts is based under any of the following circumstances:

a. if any of the requirements set forth in this rule are not continuously maintained;
or

b. if the Exchange files separate proposals under Section 19(b) of the Act, any of the statements or representations regarding the index composition, the description of the portfolio, limitations on portfolio holdings or reference assets, dissemination and availability of the index or intraday indicative values, or the applicability of Exchange listing rules specified in such proposals are not continuously maintained as referenced in subsection 10 of this rule;

c. if, following the initial twelve month period after the formation of a Trust and commencement of trading on the Exchange, the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Portfolio Depository Receipts;

d. if the value of the index or portfolio of securities on which the Trust is based is no longer calculated or available or an interruption to the dissemination of the value of the index or portfolio of securities persists past the trading day in which it occurred or the index or portfolio on which the Trust is based is replaced with a new index or portfolio, unless the new index or portfolio meets the requirements of this Rule 5705(a) for listing either pursuant to Rule 19b-4(e) under the Act (including the filing of a Form 19b-4(e) with the Commission) or by Commission approval of a filing pursuant to Section 19(b) of the Act;

e. if the Intraday Indicative Value is no longer disseminated at least every 15 seconds during the Exchange's Market Hours and the interruption to the dissemination persists past the trading day in which it occurred; or

f. if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Portfolio Depository Receipts issued in connection with such Trust be removed from listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(C) **Term** — the stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) **Voting** — voting rights shall be as set forth in the Trust prospectus. The Trustee of a Trust may have the right to vote all of the voting securities of such Trust.

(10) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Portfolio Depository Receipts that do not otherwise meet the standards set forth in this rule. Any of the statements or representations regarding the index composition, the description of the portfolio, limitations on portfolio holdings or reference assets, dissemination and availability of the index or intraday indicative values, or the applicability of Exchange listing rules specified in such proposals constitute continued listing standards.

(11) Neither the Exchange, the Reporting Authority nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value, the current value of the portfolio of securities required to be deposited to the Trust; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depository Receipts; net asset value; or other information relating to the creation, redemption or trading of Portfolio Depository Receipts, resulting from any negligent act or omission by the Exchange, the Reporting Authority, or any agent of the Exchange or any act, condition or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in one or more underlying securities.

(b) Index Fund Shares

(1) **Definitions.** The following terms shall, unless the context otherwise requires, have the meanings herein specified:

(A) **Index Fund Share.** The term "Index Fund Share" means a security:

(i) that is issued by an open-end management investment company based on a portfolio of stocks or fixed income securities or a combination thereof, that seeks to provide investment results that correspond generally to the price and yield performance or total return performance of a specified foreign or domestic stock index, fixed income securities index or combination thereof;

(ii) that is issued by such an open-end management investment company in a specified aggregate minimum number in return for a deposit of specified numbers of shares of stock and/or a cash amount, a specified portfolio of fixed income securities and/or a

cash amount and/or a combination of the above, with a value equal to the next determined net asset value; and

(iii) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such open-end investment company which will pay to the redeeming holder the stock and/or cash, fixed income securities and/or cash and/or a combination thereof, with a value equal to the next determined net asset value.

(B)

(i) The term "Index Fund Share" includes a security issued by an open-end management investment company that seeks to provide investment results that either exceed the performance of a specified domestic equity, international or global equity, or fixed income index or a combination thereof by a specified multiple ("Multiple Share") or that correspond to the inverse (opposite) of the performance of a specified domestic equity, international or global equity, or fixed income index or a combination thereof by a specified multiple ("Inverse Share"). Such a security is issued in a specified aggregate number in return for a deposit of a specified number of shares of stock, a specified portfolio of fixed income securities or a combination of the above and/or cash as defined in subparagraph (1)(B)(ii) of this rule with a value equal to the next determined net asset value. When aggregated in the same specified minimum number, Index Fund Shares may be redeemed at a holder's request by such open-end investment company which will pay to the redeeming holder the stock, fixed income securities or a combination thereof and/or cash with a value equal to the next determined net asset value.

(ii) In order to achieve the investment result that it seeks to provide, such an investment company may hold a combination of financial instruments, including, but not limited to, stock index futures contracts; options on futures contracts; options on securities and indices; equity caps, collars and floors; swap agreements; forward contracts; repurchase agreements and reverse repurchase agreements (the "Financial Instruments"), but only to the extent and in the amounts or percentages as set forth in the registration statement for such Index Fund Shares.

(iii) Any open-end management investment company which issues Index Fund Shares referenced in this subparagraph (1)(B) that seeks to provide investment results, before fees and expenses, in an amount that exceeds -300% of the percentage performance on a given day of a particular domestic equity, international or global equity or fixed income securities index or a combination thereof shall not be approved by the Exchange for listing and trading pursuant to Rule 19b-4(e) under the Act.

(iv) For the initial and continued listing of a series of Multiple or Inverse Shares, the following requirements must be adhered to:

Daily public website disclosure of portfolio holdings that will form the basis for the calculation of the net asset value by the issuer of such series of Multiple or Inverse Shares, including, as applicable, the following instruments:

- a. The identity and number of shares held of each specific equity security;
- b. The identity and amount held for each specific fixed income security;
- c. The specific types of Financial Instruments and characteristics of such Financial Instruments; and
- d. Cash equivalents and the amount of cash held in the portfolio.

In addition, if the investment objective of the Multiple or Inverse Share is to measure returns on a daily basis, the website must include a statement in substantially the following form: "The <the series of Multiple or Inverse Shares> seeks returns that are <leverage or inverse factor or percentage> the returns of the underlying index for a single day. Due to the compounding of daily returns, holding periods of greater than one day can result in returns that are significantly different than the target return. Investors should consult the prospectus for further details on the calculation of the returns and the risks associated with investing in this product."

If the Exchange becomes aware that the net asset value related to Multiple or Inverse Shares is not being disseminated to all market participants at the same time or the daily public website disclosure of portfolio holdings does not occur, the Exchange shall halt trading in such series of Index Fund Shares, as appropriate. The Exchange may resume trading in such Index Fund Shares only when the net asset value is disseminated to all market participants at the same time or the daily public website disclosure of portfolio holdings occurs, as appropriate.

(C) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Index Fund Shares means the Exchange, a wholly-owned subsidiary of the Exchange, or an institution or reporting service designated by the Exchange or its subsidiary as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of any securities required to be deposited in connection with issuance of Index Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Index Fund Shares, net asset value, and other information relating to the issuance, redemption or trading of Index Fund Shares.

Nothing in this paragraph shall imply that an institution or reporting service that is the source for calculating and reporting information relating to Index Fund Shares must be designated by the Exchange; the term "Reporting Authority" shall not refer to an institution or reporting service not so designated.

(D) U.S. Component Stock. The term "U.S. Component Stock" shall mean an equity security that is registered under Sections 12(b) or 12(g) of the Act, or an American Depository Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

(E) Non-U.S. Component Stock. The term "Non-U.S. Component Stock" shall mean an equity security that (a) is not registered under Sections 12(b) or 12(g) of the Act, (b) is issued by an entity that is not organized, domiciled or incorporated in the United States, and (c) is issued by an entity that is an operating company (including Real Estate Investment Trusts (REITs) and income trusts, but excluding investment trusts, unit trusts, mutual funds, and derivatives).

(F) Portfolio Holdings. The term "Portfolio Holdings" means the holdings of a particular series of Index Fund Shares that will form the basis for the calculation of its net asset value at the end of the business day. For purposes of this rule, Portfolio Holdings includes the following information, to the extent applicable:

(i) Ticker symbol;

(ii) CUSIP or other identifier;

(iii) Description of the holding;

(iv) Identity of the security, commodity, index, or other asset upon which the derivative is based;

(v) The strike price for any options;

(vi) The quantity of each security or other asset held as measured by:

(a) Par value;

(b) Notional value;

(c) Number of shares;

(d) Number of contracts; and

(e) Number of units;

(vii) Maturity date;

(viii) Coupon rate;

(ix) Effective date;

(x) Market value; and

(xi) Percentage weighting of the holding in the portfolio.

(2) The Exchange requires that Members provide to all purchasers of a series of Index Fund Shares a written description of the terms and characteristics of such securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include such a written description with any sales material relating to a series of Index Fund Shares that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to a series of Index Fund Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the series of Index Fund Shares] has been prepared by the [open-end management investment company name] and is available from your broker or the Exchange. It is recommended that you obtain and review such circular before purchasing [the series of Index Fund Shares]. In addition, upon request you may obtain from your broker a prospectus for [the series of Index Fund Shares]."

A Member carrying an omnibus account for a non-Member broker-dealer is required to inform such non-Member that execution of an order to purchase a series of Index Fund Shares for such omnibus account will be deemed to constitute agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to Members and member organizations under this rule.

Upon request of a customer, a Member shall also provide a prospectus for the particular series of Index Fund Shares.

(3) **Equity.** The Exchange may approve a series of Index Fund Shares for listing and trading pursuant to Rule 19b-4(e) under the Act provided each of the following criteria is satisfied, on an initial and, except for paragraph (D) below, continued listing basis:

(A) Eligibility Criteria for Index Components.

(i) **U.S. Index or Portfolio.** Component stocks of an index or portfolio of (a) only U.S. Component Stocks or (b) U.S. Component Stocks and cash underlying a series of Index Fund Shares listed pursuant to Rule 19b-4(e) under the Act shall meet the following criteria on an initial and continued listing basis:

a. Component stocks (excluding "Derivative Securities Products" as defined in this subsection a.) that in the aggregate account for at least 90% of the weight of the U.S. Component Stocks portion of the index or portfolio (excluding Derivative Securities Products) each shall have a minimum market value of at least \$75 million;

"Derivative Securities Products" include the following: Class ETF Shares (Rule 5703), Exchange Traded Fund Shares (Rule 5704); Portfolio Depository Receipts and Index Fund Shares (Rule 5705); Trust Issued Receipts (Rule 5720); Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Shares (Rule 5711); and Managed Fund Shares (Rule 5735).

b. Component stocks (excluding Derivative Securities Products) that in the aggregate account for at least 70% of the U.S. Component Stocks portion of the weight of the index or portfolio (excluding Derivative Securities Products) each shall have a minimum monthly trading volume of 250,000 shares or minimum notional volume traded per month of \$25,000,000, averaged over the last six months;

c. The most heavily weighted component stock (excluding Derivative Securities Products) shall not exceed 30% of the U.S. Component Stocks portion of the weight of the index or portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Derivative Securities Products) shall not exceed 65% of the U.S. Component Stocks portion of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 13 component stocks; provided, however, that there shall be no minimum number of component stocks if either one or more series of Index Fund Shares or Portfolio Depository Receipts constitute, at least in part, components underlying a series of Index Fund Shares, or one or more series of Derivative Securities Products account for 100% of the U.S. Component Stocks portion of the weight of the index or portfolio; and

e. All securities in the index or portfolio shall be U.S. Component Stocks listed on the Exchange or another national securities exchange and shall be NMS Stocks as defined in Rule 600 of Regulation NMS under the Act.

(ii) International or global index or portfolio. Components of an index or portfolio underlying a series of Index Fund Shares listed pursuant to Rule 19b-4(e) that consist of (a) only Non-U.S. Component Stocks, (b) Non-U.S. Component Stocks and cash, (c) both U.S. Component Stocks and Non-U.S. Component Stocks, or (d) U.S. Component Stocks, Non-U.S. Component Stocks and cash shall meet the following criteria on an initial and continued listing basis:

a. Component stocks (excluding Derivative Securities Products) that in the aggregate account for at least 90% of the weight of the U.S. and Non-U.S. Component Stocks portions of the index or portfolio (excluding Derivative Securities Products) each shall have a minimum market value of at least \$100 million;

b. Component stocks (excluding Derivative Securities Products) that in the aggregate account for at least 70% of the U.S. and Non-U.S. Component Stocks portions of the weight of the index or portfolio (excluding Derivative Securities Products) each shall have a minimum worldwide monthly trading volume of at least 250,000 shares, or minimum global notional volume traded per month of \$25,000,000, averaged over the last six months;

c. The most heavily weighted component stock (excluding Derivative Securities Products) shall not exceed 25% of the combined U.S. and Non-U.S. Component Stocks portions of the weight of the index or portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Derivative Securities Products) shall not exceed 60% of the combined U.S. and Non-U.S. Component Stocks portions of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 20 component stocks; provided, however, that there shall be no minimum number of component stocks if either one or more series of Index Fund Shares or Portfolio Depositary Receipts constitute, at least in part, components underlying a series of Index Fund Shares, or one or more series of Derivative Securities Products account for 100% of the weight of the combined U.S. and Non-U.S. Component Stocks portions of the index or portfolio; and

e. Each U.S. Component Stock shall be listed on a national securities exchange and shall be an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, and each Non-U.S. Component Stock shall be listed and traded on an exchange that has last-sale reporting.

(iii) Index or portfolio approved in connection with derivative securities. For the initial and continued listing of a series of Index Fund Shares pursuant to Rule 19b-4(e) under the Act, the index or portfolio underlying a series of Index Fund Shares shall have been reviewed and approved for trading of options, Portfolio Depositary Receipts, Index Fund Shares, index-linked exchangeable notes, or index-linked securities by the Commission under Section 19(b) of the Act and rules thereunder, and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements with respect to Non-U.S. Component Stocks and the requirements regarding dissemination of information, must continue to be satisfied. On an initial and continued listing basis, each component stock of the index or portfolio shall be either

a. a U.S. Component Stock that is listed on a national securities exchange and is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, or

b. a Non-U.S. Component Stock that is listed and traded on an exchange that has last-sale reporting.

(B) Index Methodology and Calculation. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current index value for Index Fund Shares listed pursuant to:

a. Rule 5705(b)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Market Hours;

b. Rule 5705(b)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Exchange's Market Hours; or

c. Rule 5705(b)(3)(A)(iii) will be widely disseminated by one or more major market data vendors at least every 15 seconds with respect to indexes containing only U.S. Component Stocks and at least every 60 seconds with respect to indexes containing Non-U.S. Component Stocks, during the Exchange's Market Hours.

If the index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of Non-U.S. Component Stocks because of time zone differences or holidays in the countries where such indexes' component stocks trade), then the last official calculated index value must remain available throughout the Exchange's Market Hours; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index or portfolio composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(C) Disseminated Information. Where a series of Index Fund Shares does not publish its Portfolio Holdings on its website on a daily basis, the Reporting Authority will disseminate for each series of Index Fund Shares an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value") during the Exchange's Market Hours. The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value will be updated at least every 15 seconds during the Exchange's Market Hours; to reflect changes in the exchange rate between the U.S. dollar and the currency in which any component stock is denominated. If the Intraday Indicative Value does not change during some or all of the period when trading is occurring on the Exchange, then

the last official calculated Intraday Indicative Value must remain available throughout the Exchange's trading hours. All requirements set forth in this paragraph must be satisfied on an initial and continued listing basis. Where a series of Index Fund Shares publishes its Portfolio Holdings on its website on a daily basis, there is no obligation to disseminate an Intraday Indicative Value

(D) **Initial Shares Outstanding.** A minimum of 100,000 shares of a series of Index Fund Shares is required to be outstanding at start-up of trading.

(E) **Surveillance Procedures.** FINRA will implement and maintain written surveillance procedures for Index Fund Shares.

(F) **Creation and redemption.** For Index Fund Shares listed pursuant to Rule 5705(b)(3)(A)(ii) or (iii) above, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Index Fund Shares must state that the series of Index Fund Shares must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(4) **Fixed Income.** Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or subdivision thereof. The Exchange may approve a series of Index Fund Shares based on Fixed Income Securities for listing and trading pursuant to Rule 19b-4(e) under the Act provided such portfolio or index: (i) has been reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b) of the Act and the rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) the following criteria are satisfied:

(A) **Eligibility Criteria for Index Components.** Components of an index or portfolio that underlies a series of Index Fund Shares listed pursuant to Rule 19b-4(e) under the Act shall meet the following criteria on an initial and continued listing basis:

(i) The index or portfolio must consist of (a) only Fixed Income Securities or (b) Fixed Income Securities and cash;

(ii) Components that in aggregate account for at least 75% of the weight of the index or portfolio must have a minimum original principal amount outstanding of \$100 million or more;

(iii) A component may be a convertible security, however, once the convertible security component converts to an underlying equity security, the component is removed from the index or portfolio;

(iv) No component fixed-income security (excluding Treasury Securities) will represent more than 30% of the Fixed Income Securities portion of the weight of the index or portfolio, and the five highest weighted component fixed-income securities do not in the aggregate account for more than 65% of the Fixed Income Securities portion of the weight of the index or portfolio;

(v) An underlying index or portfolio (excluding one consisting entirely of exempted securities) must include securities from a minimum of 13 non-affiliated issuers; and

(vi) Component securities that in aggregate account for at least 90% of the Fixed Income Securities portion of the weight of the index or portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Act; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds, debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; (d) exempted securities as defined in section 3(a)(12) of the Act; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.

(B) Index Methodology and Calculation. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current index value will be widely disseminated by one or more major market data vendors at least once per day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(5) The Exchange may approve a series of Index Fund Shares based on a combination of indexes or an index or portfolio of component securities representing the U.S. equity market, the international equity market, and the fixed income market for listing and trading pursuant to Rule 19b-4(e) under the Act provided: (i) such portfolio or combination of indexes has been reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities

by the Commission under Section 19(b) of the Act and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) each index or portfolio of equity and fixed income component securities separately meets either the criteria set forth in Rule 5705(b)(3) or (4) above. After the Exchange approves a series for listing and trading pursuant to this paragraph (5), such series of Index Fund Shares shall continue to meet the requirements of sections (i) and (ii) in this paragraph (5), as applicable, on a continued listing basis.

(A) Index Methodology and Calculation. All requirements set forth in this paragraph must be satisfied on both an initial and continued listing basis.

(i) If an index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current composite index value will be widely disseminated by one or more major market data vendors at least once every 15 seconds during Market Hours, provided however, that (a) with respect to the Non-U.S. Component Stocks of the combination index, the impact on the index is only required to be updated at least every 60 seconds during the Market Hours, and (b) with respect to the fixed income components of the combination index the impact on the index is only required to be updated at least once each day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(6) The following provisions shall apply to all series of Index Fund Shares listed pursuant Rules 5705(b)(4) and (5) above on an initial and, except for paragraph (B) below, continued listing basis:

(A) Disseminated Information. Where a series of Index Fund Shares does not publish its Portfolio Holdings on its website on a daily basis, the Reporting Authority will disseminate for each series of Index Fund Shares an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value"). The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value may be calculated by the Exchange or by an independent third party throughout the day using prices obtained from independent market data providers or other independent pricing sources such as a broker-dealer or price evaluation services. Where a series of Index Fund Shares publishes its Portfolio Holdings on its website on a daily basis, there is no obligation to disseminate an Intraday Indicative Value.

(B) **Initial Shares Outstanding.** A minimum of 100,000 shares of a series of Index Fund Shares is required to be outstanding at start-up of trading.

(C) **Surveillance Procedures.** FINRA will implement and maintain written surveillance procedures for Index Fund Shares.

(7) Market Hours trading will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Index Fund Shares, as specified by the Exchange. In addition, the Exchange may designate each series of Index Fund Shares for trading during Pre-Market Hours or Post-Market Hours.

(8) The Exchange may list and trade Index Fund Shares based on one or more foreign or domestic indexes or portfolios. Each issue of Index Fund Shares based on each particular index or portfolio, or combination thereof, shall be designated as a separate series and shall be identified by a unique symbol. The components that are included in an index or portfolio on which a series of Index Fund Shares are based shall be selected by such person, which may be the Exchange or an agent or wholly-owned subsidiary thereof, as shall have authorized use of such index or portfolio. Such index or portfolio may be revised from time to time as may be deemed necessary or appropriate to maintain the quality and character of the index or portfolio.

(9) Each series of Index Fund Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing

(i) for each series, the Exchange will establish a minimum number of Index Fund Shares required to be outstanding at the time of commencement of trading on the Exchange.

(ii) The Exchange will obtain a representation from the issuer of each series of Index Fund Shares that the net asset value per share for the series will be calculated daily and will be made available to all market participants at the same time.

(B) Continued Listing

(i) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Index Fund Shares under any of the following circumstances:

- a. if any of the requirements set forth in this rule are not continuously maintained;
- b. if the Exchange files separate proposals under Section 19(b) of the Act, any of the statements or representations regarding (a) the index composition; (b) the description of the portfolio; (c) limitations on portfolio holdings or reference assets; (d) dissemination and availability of the index or intraday indicative

values; or (e) the applicability of Exchange listing rules specified in such proposals are not continuously maintained as referenced in subsection 10 of this rule;

c. if, following the initial twelve month period after commencement of trading on the Exchange of a series of Index Fund Shares, there are fewer than 50 beneficial holders of the series of Index Fund Shares;

d. if the value of the index or portfolio of securities on which the series of Index Fund Shares is based is no longer calculated or available or an interruption to the dissemination persists past the trading day in which it occurred or the index or portfolio on which the series of Index Fund Shares is based is replaced with a new index or portfolio, unless the new index or portfolio meets the requirements of this Rule 5705(b) for listing either pursuant to Rule 19b-4(e) under the Act (including the filing of a Form 19b-4(e) with the Commission) or by Commission approval of a filing pursuant to Section 19(b) of the Act;

e. if the Intraday Indicative Value, if applicable, is no longer disseminated at least every 15 seconds during the Exchange's Market Hours and the interruption to the dissemination persists past the trading day in which it occurred; or

f. if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of an open-end management investment company, the Exchange requires that Index Fund Shares issued in connection with such entity be removed from listing.

(C) Voting — voting rights shall be as set forth in the applicable open-end management investment company prospectus.

(10) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Index Fund Shares that do not otherwise meet the standards set forth in this rule. Any of the statements or representations regarding (a) the index composition; (b) the description of the portfolio; (c) limitations on portfolio holdings or reference assets; (d) dissemination and availability of the index or intraday indicative values; or (e) the applicability of Exchange listing rules specified in such proposals constitute continued listing standards.

(11) Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value, the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Index Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Index Fund Shares; net asset value; or other information relating to the purchase, redemption or trading of Index Fund

Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in one or more underlying securities.

5710. Securities Linked to the Performance of Indexes and Commodities (Including Currencies)

The Exchange will consider for listing and trading equity index-linked securities ("Equity Index-Linked Securities") and commodity-linked securities ("Commodity-Linked Securities"), fixed income index-linked securities ("Fixed Income Index-Linked Securities"), futures-linked securities ("Futures-Linked Securities") and multifactor index-linked securities ("Multifactor Index-Linked Securities" and, together with Equity Index-Linked Securities, Commodity-Linked Securities, Fixed Income Index-Linked Securities and Futures-Linked Securities, "Linked Securities") that in each case meet the applicable criteria of this Rule.

Equity Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance of an underlying equity index or indexes (an "Equity Reference Asset").

The payment at maturity with respect to Commodity-Linked Securities is based on one or more physical Commodities or Commodity futures, options or other Commodity derivatives, Commodity-Related Securities, or a basket or index of any of the foregoing (any such basis for payment is referred to below as the "Commodity Reference Asset"). The terms "Commodity" and "Commodity-Related Security" are defined in Rule 4630.

The payment at maturity with respect to Fixed Income Index-Linked Securities is based on the performance of one or more indexes or portfolios of notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof or a basket or index of any of the foregoing (a "Fixed Income Reference Asset").

The payment at maturity with respect to Futures-Linked Securities is based on the performance of an index of (a) futures on Treasury Securities, GSE Securities, supranational debt and debt of a foreign country or a subdivision thereof, or options or other derivatives on any of the foregoing; or (b) interest rate futures or options or derivatives on the foregoing in this subparagraph (b); or (c) CBOE Volatility Index (VIX) Futures (a "Futures Reference Asset").

The payment at maturity with respect to Multifactor Index-Linked Securities is based on the performance of any combination of two or more Equity Reference Assets, Commodity Reference Assets, Fixed Income Reference Assets or Futures Reference Assets (a "Multifactor Reference

Asset", and together with Equity Reference Asset, Commodity Reference Asset, Fixed Income Reference Asset and Futures Reference Asset, "Reference Assets"). A Multifactor Reference Asset may include as a component a notional investment in cash or a cash equivalent based on a widely accepted overnight loan interest rate, LIBOR, Prime Rate, or an implied interest rate based on observed market spot and foreign currency forward rates.

Linked Securities may or may not provide for the repayment of the original principal investment amount. The Exchange will consider Linked Securities for listing and trading pursuant to Rule 19b-4(e) under the Act, provided:

(a) Both the issue and the issuer of such security initially meet and continuously maintain the criteria for other securities set forth in Rule 5730(a), except that if the security is traded in \$1,000 denominations or is redeemable at the option of holders thereof on at least a weekly basis, then no minimum number of holders and no minimum public distribution of trading units shall be required..

(b) The issue has a term of not less than one (1) year and not greater than thirty (30) years.

(c) The issue must, on an initial and continued listing basis, be the non-convertible debt of the Company.

(d) On an initial and continued listing basis, the payment at maturity may or may not provide for a multiple of the direct or inverse performance of an underlying index, indexes or Reference Asset; however, in no event will a loss (negative payment) at maturity be accelerated by a multiple that exceeds three times the performance of an underlying index, indexes or Reference Asset.

In addition, as applicable, the issuer of the Linked Security must include a statement on a public website in substantially the following form: "The <the series of Linked Securities> seeks returns that are <leverage or inverse factor or percentage> the returns of the <underlying index or Reference Asset> for a single day. Due to the compounding of daily returns, holding periods of greater than one day can result in returns that are significantly different than the target return. Investors should consult the prospectus for further details on the calculation of the returns and the risks associated with investing in this product."

(e) On an initial and continued listing basis, the Company will be expected to have a minimum tangible net worth in excess of \$250,000,000 (if the Linked Securities are fully and unconditionally guaranteed by an affiliate of the Company, the Exchange will rely on such affiliate's tangible net worth for purposes of this requirement). In the alternative, the Company will be expected to have a minimum tangible net worth of \$150,000,000 and the original issue price of the Linked Securities, combined with all of the Company's other Linked Securities listed on a national securities exchange or otherwise publicly traded in the United States, must not be greater than 25 percent of the Company's tangible net worth at the time of issuance (if the Linked Securities are fully and unconditionally guaranteed by an affiliate of the Company, the Exchange will apply the provisions of this paragraph to such affiliate instead of the Company and will include in its calculation all Linked Securities that are fully and

unconditionally guaranteed by such affiliate). Government issuers and supranational entities will be evaluated on a case-by-case basis.

(f) On an initial and continued listing basis, the Company is in compliance with Rule 10A-3 under the Act.

(g) Maintenance and Dissemination

(i) If the index is maintained by a broker-dealer, the broker-dealer shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer.

(ii) Unless the Commission order applicable under paragraph (k) or (l) hereof provides otherwise, the current value of the index or the Reference Asset (as applicable) will be widely disseminated at least every 15 seconds during the Exchange's Market Hours, except as provided in the next clause (iii).

(iii) The values of the following indexes need not be calculated and widely disseminated at least every 15 seconds if, after the close of trading, the indicative value of the Equity Index-Linked Security based on one or more of such indexes is calculated and disseminated to provide an updated value: CBOE S&P 500 BuyWrite Index(sm), CBOE DJIA Buy Write Index(sm), CBOE Nasdaq-100 BuyWrite Index(sm).

(iv) If the value of a Linked Security is based on more than one index, then the dissemination requirement of this paragraph (g) applies to the composite value of such indexes.

(v) In the case of a Commodity-Linked Security that is periodically redeemable, the indicative value of the subject Commodity-Linked Security must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the Exchange's Market Hours.

The provisions of sections (ii), (iii) and (v) of this paragraph shall be satisfied on an initial and continued listing basis.

(h) Trading Halts. In the case of Linked Securities, if the indicative value (if required to be disseminated) or the Reference Asset value is not being disseminated as required, or if the value of the index is not being disseminated as required, the Exchange may halt trading during the day on which such interruption occurs. The Exchange will halt trading no later than the beginning of trading following the trading day when the interruption commenced if such interruption persists at this time.

(i) Surveillance Procedures. FINRA will implement and maintain on behalf of the Exchange written surveillance procedures for Linked Securities. The Exchange will enter into adequate comprehensive surveillance sharing agreements for non-U.S. securities, as applicable.

(j) Linked Securities will be treated as equity instruments. Furthermore, for the purpose of fee determination, Linked Securities shall be deemed and treated as Other Securities.

(k) Linked Securities

(i) Equity Index-Linked Securities Criteria

(A) In the case of an Equity Index-Linked Security, each underlying index is required to have at least ten (10) component securities; provided, however, that there shall be no minimum number of component securities if one or more issues of Derivative Securities Products (which are defined in Rule 5705(b)(3)(A)(i)(a)), Linked Securities (as described in Rule 5710), or securities listed on another national securities exchange pursuant to substantially equivalent listing rules, constitute, at least in part, component securities underlying an issue of Equity Index-Linked Securities. In addition, the index or indexes to which the security is linked shall either:

(1) have been reviewed and approved for the trading of Index Fund Shares or options or other derivatives by the Commission under Section 19(b)(2) of the Act and rules thereunder and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements for non-U.S. stocks, continue to be satisfied, or

(2) the index or indexes meet the following criteria:

(a) Each component security (excluding Derivative Securities Products and Linked Securities) has a minimum market value of at least \$75 million, except that for each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index (excluding Derivative Securities Products and Linked Securities), the market value can be at least \$50 million;

(b) Component stocks (excluding Derivative Securities Products and Linked Securities) that in the aggregate account for at least 90% of the weight of the index (excluding Derivative Securities Products and Linked Securities) each shall have a minimum global monthly trading volume of 1,000,000 shares, or minimum global notional volume traded per month of \$25,000,000, averaged over the last six months;

(c) No underlying component security (excluding Derivative Securities Products and Linked Securities) will represent more than 25% of the weight of the index, and, to the extent applicable, the five highest weighted component securities in the index (excluding Derivative Securities Products and Linked Securities) do not in the aggregate account for more than 50% of the weight of the index (60% for an index consisting of fewer than 25 component securities);

(d) 90% of the index's numerical value (excluding Derivative Securities Products and Linked Securities) and at least 80% of the total number of component securities (excluding Derivative Securities Products and Linked Securities) will meet the then current criteria for standardized option trading on a national securities exchange or a national securities association, provided, however, that an index will not be subject to this requirement if (a) no underlying component security represents more than 10% of the dollar weight of the index (excluding Derivative Securities Products and Linked Securities) and (b) the index has a minimum of 20 components (excluding Derivative Securities Products and Linked Securities); and

(e) All component securities shall be either (A) securities (other than securities of a foreign issuer and American Depositary Receipts ("ADRs")) that are (i) issued by a 1934 Act reporting company or by an investment company registered under the Investment Company Act of 1940 that, in each case, has securities listed on a national securities exchange and (ii) an "NMS stock" (as defined in Rule 600 of Regulation NMS under the Act), or (B) securities of a foreign issuer or ADRs, provided that securities of a foreign issuer (including when they underlie ADRs) whose primary trading market outside the United States is not a member of the Intermarket Surveillance Group ("ISG") or a party to a comprehensive surveillance sharing agreement with the Exchange will not in the aggregate represent more than 50% of the dollar weight of the index; and provided further that (i) the securities of any one such market do not represent more than 20% of the dollar weight of the index, and (ii) the securities of any two such markets do not represent more than 33% of the dollar weight of the index.

(B) Continued Listing Criteria

(1) The Exchange will commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject Equity Index-Linked Security), if any of the standards set forth above in paragraph A are not continuously maintained, except that:

(a) the criteria that no single component represent more than 25% of the dollar weight of the index (excluding Derivative Securities Products and Linked Securities) and, to the extent applicable, the five highest dollar weighted components in the index (excluding Derivative Securities Products and Linked Securities) cannot represent more than 50% (or 60% for indexes with less than 25 components) of the dollar weight of the index, need only be satisfied at the time the index is rebalanced; and

(b) Component stocks (excluding Derivative Securities Products and Linked Securities) that in the aggregate account for at least 90% of the weight of the index (excluding Derivative Securities Products and Linked Securities) each shall have a minimum global monthly trading volume of 500,000 shares, or

minimum global notional volume traded per month of \$12,500,000, averaged over the last six months.

(2) In connection with an Equity Index-Linked Security that is listed pursuant to paragraph (i)(A)(1) above, the Exchange will commence delisting or removal proceedings (unless the Commission has approved the continued trading of the subject Equity Index-Linked Security) if an underlying index or indexes fails to satisfy the maintenance standards or conditions for such index or indexes as set forth by the Commission in its order under Section 19(b)(2) of the Act approving the index or indexes for the trading of options or other derivatives.

(3) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series (unless the Commission has approved the continued trading of the subject Equity Index-Linked Security), under any of the following circumstances:

(a) if the aggregate market value or the principal amount of the Equity Index-Linked Securities publicly held is less than \$400,000;

(b) if an interruption to the dissemination of the value of the index or composite value of the indexes persists past the trading day in which it occurred or is no longer calculated or widely disseminated on at least a 15-second basis with respect to indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to indexes containing foreign country securities, provided, however, that, if the official index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of foreign country securities, because of time zone differences or holidays in the countries where such indexes' component stocks trade) then the last calculated official index value must remain available throughout Exchange trading hours; or

(c) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(4) Equity-Linked Index Rebalancing. Equity-Linked Indexes will be rebalanced at least annually.

(ii) Reference Asset Criteria for Commodity-Linked Securities

(A) In the case of a Commodity-Linked Security, the Reference Asset shall meet the criteria in either subparagraph (1) or subparagraph (2) below:

(1) The Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Commodity-Related Securities or options or other derivatives by the Commission under Section 19(b)(2) of the Act and rules thereunder and the conditions set forth in the Commission's approval order,

including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.

(2) The pricing information for each component of a Reference Asset other than a Currency must be derived from a market which is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement. Notwithstanding the previous sentence, pricing information for gold and silver may be derived from the London Bullion Market Association. The pricing information for each component of a Reference Asset that is a Currency must be either: (1) the generally accepted spot price for the currency exchange rate in question; or (2) derived from a market of which (a) is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement and (b) is the pricing source for a currency component of a Reference Asset that has previously been approved by the Commission. A Reference Asset may include components representing not more than 10% of the dollar weight of such Reference Asset for which the pricing information is derived from markets that do not meet the requirements of this subparagraph (2), provided, however, that no single component subject to this exception exceeds 7% of the dollar weight of the Reference Asset. The term "Currency," as used in this subparagraph, shall mean one or more currencies, or currency options, futures, or other currency derivatives, Commodity-Related Securities if their underlying Commodities are currencies or currency derivatives, or a basket or index of any of the foregoing.

(B) The issue must meet the following continued listing criteria:

(1) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above are not continuously maintained.

(2) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series under any of the following circumstances:

(a) If the aggregate market value or the principal amount of the Commodity-Linked Securities publicly held is less than \$400,000;

(b) An interruption to the dissemination of the value of the Commodity Reference Asset persists past the trading day in which it occurred or is no longer calculated or available and a new Commodity Reference Asset is substituted, unless the new Commodity Reference Asset meets the requirements of this rule; or

(c) If such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(iii) Fixed Income Index-Linked Securities Listing Standards

(A) The issue must meet one of the criteria set forth in either (1) or (2) below.

(1) The Fixed Income Reference Asset to which the security is linked shall have been reviewed and approved for the trading of options, Index Fund Shares, or other derivatives by the Commission under Section 19(b)(2) of the Securities Exchange Act of 1934 and rules thereunder and the conditions set forth in the Commission's approval order, continue to be satisfied.

(2) The issue must meet the following initial listing criteria:

(a) Components of the Fixed Income Reference Asset that in the aggregate account for at least 75% of the weight of the Fixed Income Reference Asset must each have a minimum original principal amount outstanding of \$100 million or more;

(b) A component of the Fixed Income Reference Asset may be a convertible security, however, once the convertible security component converts to the underlying equity security, the component is removed from the Fixed Income Reference Asset;

(c) No component of the Fixed Income Reference Asset (excluding Treasury Securities and GSE Securities) will represent more than 30% of the dollar weight of the Fixed Income Reference Asset, and the five highest dollar weighted components in the Fixed Income Reference Asset will not in the aggregate account for more than 65% of the dollar weight of the Fixed Income Reference Asset;

(d) An underlying Fixed Income Reference Asset (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers; and

(e) Component securities that in the aggregate account for at least 90% of the dollar weight of the Fixed Income Reference Asset must be from one of the following: (a) issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Act; or (b) issuers that have a worldwide market value of outstanding common equity held by non-affiliates of \$700 million or more; or (c) issuers that have outstanding securities that are notes, bonds, debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; or (d) exempted securities as defined in Section 3(a)(12) of the Act, or (e) issuers that are a government of a foreign country or a political subdivision of a foreign country.

(B) In addition, the value of the Fixed Income Reference Asset must be widely disseminated to the public by one or more major market vendors at least once per business day.

(C) The issue must meet the following continued listing criteria:

(1) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above are not continuously maintained.

(2) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series:

(a) if the aggregate market value or the principal amount of the Fixed Income Index-Linked Securities publicly held is less than \$400,000;

(b) An interruption to the dissemination of the value of the Fixed Income Reference Asset persists past the trading day in which it occurred or is no longer calculated or available and a new Fixed Income Reference Asset is substituted, unless the new Fixed Income Reference Asset meets the requirements of this Rule 5710(k); or

(c) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings inadvisable.

(iv) Futures-Linked Securities Listing Standards

(A) The issue must meet the initial listing standard set forth in either (1) or (2) below:

(1) The Futures Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Futures-Linked Securities or options or other derivatives by the Commission under Section 19(b)(2) of the Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied, or

(2) the pricing information for components of a Futures Reference Asset must be derived from a market which is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement. A Futures Reference Asset may include components representing not more than 10% of the dollar weight of such Futures Reference Asset for which the pricing information is derived from markets that do not meet the requirements of this subparagraph (2); provided, however, that no single component subject to this exception exceeds 7% of the dollar weight of the Futures Reference Asset.

(B) In addition, the issue must meet both of the following initial listing criteria:

(1) the value of the Futures Reference Asset must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during Market Hours (as defined in Equity 1, Section 1(a)13)); and

(2) in the case of Futures-Linked Securities that are periodically redeemable, the value of a share of each series (the "Intraday Indicative Value") of the subject Futures-Linked Securities must be calculated and widely disseminated by the Exchange or one or more major market data vendors on at least a 15-second basis during Market Hours (as defined in Equity 1, Section 1(a)(13).

(C) The issue must meet the following continued listing criteria:

(1) The Exchange will commence delisting or removal proceedings if any of the initial listing criteria described above are not continuously maintained.

(2) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series under any of the following circumstances:

(a) if the aggregate market value or the principal amount of the Futures-Linked Securities publicly held is less than \$400,000;

(b) An interruption to the dissemination of the value of the Futures Reference Asset persists past the trading day in which it occurred or is no longer calculated or available and a new Futures Reference Asset is substituted, unless the new Futures Reference Asset meets the requirements of this Rule 5710(k);
or

(c) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(v) Multifactor Index-Linked Securities Listing Standards

(A) The issue must meet the following initial listing standards set forth in either (1) or (2) below:

(1) each component of the Multifactor Reference Asset to which the security is linked shall have been reviewed and approved for the trading of either options, Index Fund Shares, or other derivatives under Section 19(b)(2) of the Act and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied, or

(2) each Reference Asset included in the Multifactor Reference Asset must meet the applicable initial and continued listing criteria set forth in the relevant subsection of this Rule 5710(k).

(B) In addition, the issue must meet both of the following initial listing criteria:

(1) the value of the Multifactor Reference Asset must be calculated and widely disseminated to the public on at least a 15-second basis during the time the Multifactor Index-Linked Security trades on the Exchange; and

(2) in the case of Multifactor Index-Linked Securities that are periodically redeemable, the indicative value of the Multifactor Index- Linked Securities must be calculated and widely disseminated by one or more major market data vendors on at least a 15-second basis during the time the Multifactor Index-Linked Securities trade on the Exchange.

(C) The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series:

(1) if any of the initial listing criteria described above are not continuously maintained;

(2) if the aggregate market value or the principal amount of the Multifactor Index-Linked Securities publicly held is less than \$400,000;

(3) An interruption to the dissemination of the the value of the Multifactor Reference Asset persists past the trading day in which it occurred or is no longer calculated or available and a new Multifactor Reference Asset is substituted, unless the new Multifactor Reference Asset meets the requirements of this Rule 5710(k); or

(4) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(l) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Linked Securities that do not otherwise meet the standards set forth in this rule. Any of the statements or representations regarding (a) the index composition or reference asset description and limitations; (b) dissemination and availability of the index, reference asset, or intraday indicative values; or (c) the applicability of Exchange listing rules specified in such proposals constitute continued listing standards. If a series of Linked Securities does not satisfy these requirements, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

••• Commentary -----

.01 (a) The registered Market Maker in Linked Securities must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading in the Reference Asset components, the commodities, currencies or futures underlying the Reference Asset components, or any derivative instruments based on the Reference Asset or based on any Reference Asset component or any physical commodity, currency or futures underlying a Reference Asset component, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker in Linked Securities

shall trade in the Reference Asset components, the commodities, currencies or futures underlying the Reference Asset components, or any derivative instruments based on the Reference Asset or based on any Reference Asset component or any physical commodity, or futures currency underlying a Reference Asset component, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

(b) In addition to the existing obligations under Exchange rules regarding the production of books and records (e.g., Rule 4625), the registered Market Maker in Linked Securities shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or any limited partner, officer or approved person thereof, registered or nonregistered employee affiliated with such entity for its or their own accounts in the Reference Asset components, the commodities, currencies or futures underlying the Reference Asset components, or any derivative instruments based on the Reference Asset or based on any Reference Asset component or any physical commodity, currency or futures underlying a Reference Asset component, as may be requested by the Exchange.

5711. Trading of Certain Derivative Securities

(a) Index-Linked Exchangeable Notes

Index-Linked Exchangeable Notes which are exchangeable debt securities that are exchangeable at the option of the holder (subject to the requirement that the holder in most circumstances exchange a specified minimum amount of notes), on call by the issuer or at maturity for a cash amount (the "Cash Value Amount") based on the reported market prices of the underlying stocks of an underlying index will be considered for listing and trading by the Exchange pursuant to Rule 19b-4(e) under the Act, provided:

(i) Both the issue and the issuer of such security initially meet and continuously maintain the requirements of Rule 5730, Listing Requirements for Securities Not Specified Above (Other Securities), except that the minimum public distribution shall be 150,000 notes with a minimum of 400 public note-holders, except, if traded in thousand dollar denominations or redeemable at the option of the holders thereof on at least a weekly basis, then no minimum public distribution and no minimum number of holders.

(ii) The issue has a minimum term of one year.

(iii) On an initial and continued listing basis, the issuer will be expected to have a minimum tangible net worth in excess of \$250,000,000, and to otherwise substantially exceed the earnings requirements set forth in Rule 5405(b). In the alternative, the issuer will be expected: (A) to have a minimum tangible net worth of \$150,000,000 and to otherwise substantially exceed the earnings requirements set forth in Rule 5405(b); and (B) not to have issued Index-Linked Exchangeable Notes where the original issue price of all the issuer's other index-linked exchangeable note offerings (combined with other index-linked exchangeable note offerings of the issuer's affiliates) listed on a national securities exchange exceeds 25% of the issuer's net worth.

(iv) The index to which an exchangeable-note is linked shall either be (A) indices that have been created by a third party and been reviewed and have been approved for the trading of options or other derivatives securities (each, a "Third-Party Index") either by the Commission under Section 19(b) of the Act and rules thereunder or by the Exchange under rules adopted pursuant to Rule 19b-4(e); or (B) indices which the issuer has created and for which the Exchange will have obtained approval from either the Commission pursuant to Section 19(b) and rules thereunder or from the Exchange under rules adopted pursuant to Rule 19b-4(e) (each an "Issuer Index"). The Issuer Indices and their underlying securities must meet one of the following on an initial and continued listing basis:

(A) the procedures and criteria set forth in Options 4A, Section 4(b) and (c), or

(B) the criteria set forth in Rules 5715(b)(3) and (4), the index concentration limits set forth in Options 4A, Section 4, and Options 4A, Section 4(b)(12) insofar as it relates to Options 4A, Section 4(b)(6).

(v) Index-Linked Exchangeable Notes will be treated as equity instruments.

(vi) This section contains the continued listing requirements for Index-Linked Exchangeable Notes. If a series of Index-Linked Exchangeable Notes does not satisfy these requirements, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

a. The Intraday Indicative Value of the subject Index-Linked Exchangeable Notes must be calculated and widely disseminated by the Exchange or one or more major market data vendors on at least a 15- second basis during Market Hours (as defined in Equity 1, Section 1(a)(13)). For purposes of this Rule, the term "Intraday Indicative Value" means an estimate of the value of a note or a share of the series of Index-Linked Exchangeable Notes. If an interruption to the dissemination persists past the trading day in which it occurred, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

b. The value of the underlying index must be publicly available to investors, on a real time basis, every 15 seconds. If an interruption to the dissemination persists past the trading day in which it occurred, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

c. Beginning twelve months after the initial issuance of a series of index-linked exchangeable notes, the Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, that series of Index-Linked Exchangeable Notes under any of the following circumstances:

(A) if the series has fewer than 50,000 notes issued and outstanding;

(B) if the market value of all Index-Linked Exchangeable Notes of that series issued and outstanding is less than \$1,000,000;

d. If the Exchange submits a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Index-Linked Exchangeable Notes that do not otherwise meet the standards set forth in this rule and any of the statements or representations regarding (a) the index composition; (b) the index or intraday indicative value; or (c) the applicability of Exchange listing rules specified in such proposals are not continuously maintained;

e. if any of the requirements set forth in this rule are not continuously maintained; or

f. if such other event shall occur or such other condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(b) Equity Gold Shares

(i) The provisions of this sub-paragraph (b) apply only to Equity Gold Shares that represent units of fractional undivided beneficial interest in and ownership of the Equity Gold Trust. While Equity Gold Shares are not technically Index Fund Shares and thus are not covered by Rule 5705, all other rules that reference "Index Fund Shares" shall also apply to Equity Gold Shares.

(ii) Except to the extent that specific provisions in this rule govern, or unless the context otherwise requires, the provisions of all other Exchange Rules and policies shall be applicable to the trading of Equity Gold Shares on the Exchange.

(iii) The provisions set forth in Rule 5711(d) shall also apply to Equity Gold Shares.

(c) Trust Certificates

The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, certificates ("Trust Certificates") representing an interest in a special purpose trust (the "Trust") created pursuant to a trust agreement. The Trust will only issue Trust Certificates. Trust Certificates may or may not provide for the repayment of the original principal investment amount.

(i) Trust Certificates pay an amount at maturity which is based upon the performance of specified assets as set forth below:

(A) an underlying index or indexes of equity securities (an "Equity Reference Asset");

(B) instruments that are direct obligations of the issuing company, either exercisable throughout their life (i.e., American style) or exercisable only on their expiration date (i.e., European style), entitling the holder to a cash settlement in U.S. dollars to the extent that the foreign or domestic index has declined below (for a put warrant) or increased above (for a call warrant) the pre-stated cash settlement value of the index ("Index Warrants"); or

(C) a combination of two or more Equity Reference Assets or Index Warrants.

(ii) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading Trust Certificates. Any of the statements or representations regarding (a) the description of the index, reference assets, or trust holdings; (b) limitations on index composition, reference assets, or trust holdings; (c) dissemination and availability of the index, reference asset, or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals shall constitute continued listing standards.

Commentary:

.01 Continued Listing. The Exchange will commence delisting proceedings under the Rule 5800 Series with respect to an issue of Trust Certificates (unless the Commission has approved the continued trading of such issue), under any of the following circumstances:

(a) if the aggregate market value or the principal amount of the securities publicly held is less than \$400,000;

(b) if an interruption to the dissemination of the value of the index or composite value of the indexes persists past the trading day in which it occurred or is no longer calculated or widely disseminated on at least a 15-second basis with respect to indexes containing only securities listed on a national securities exchange, or on at least a 60-second basis with respect to indexes containing foreign country securities, provided, however, that, if the official index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of foreign country securities, because of time zone differences or holidays in the countries where such indexes' component stocks trade) then the last calculated official index value must remain available throughout Exchange trading hours;

(c) if the series of Trust Certificates is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the index, reference assets, or trust holdings; (b) limitations on index composition, reference assets, or trust holdings; (c) dissemination and availability of the index, reference asset, or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals;

(d) if any of the requirements set forth in this rule are not continuously maintained; or

(e) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

.02 Term. The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

.03 Trustee. The following requirements apply on an initial and continued listing basis:

(a) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(b) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

.04 **Voting.** Voting rights shall be as set forth in the applicable Trust prospectus.

.05 **Surveillance Procedures.** The Exchange will implement and maintain written surveillance procedures for Trust Certificates.

.06 **Equity Trading Rules.** The Trust Certificates will be subject to the Exchange's equity trading rules.

.07 **Information Circular.** Prior to the commencement of trading of a particular Trust Certificate listing pursuant to this Rule, the Exchange will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to Members providing guidance regarding compliance responsibilities (including suitability recommendations and account approval) when handling transactions in Trust Certificates.

.08 Trust Certificates may be exchangeable at the option of the holder into securities that participate in the return of the applicable underlying asset. In the event that the Trust Certificates are exchangeable at the option of the holder and contain an Index Warrant, then a Member must ensure that the Member's account is approved for options trading in accordance with NTX Options Rules in order to exercise such rights.

.09 Trust Certificates may pass-through periodic payments of interest and principle of the underlying securities.

.10 **Trust Insurance.** The Trust payments may be guaranteed pursuant to a financial guaranty insurance policy which may include swap agreements.

.11 **Early Termination.** The Trust Certificates may be subject to early termination or call features.

(d) Commodity-Based Trust Shares

(i) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Commodity-Based Trust Shares that meet the criteria of this Rule. The Exchange may list and/or trade Commodity-Based Trust Shares pursuant to Rule 19b-4(e) under the Act or may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Commodity-Based Trust Shares that do not meet the standards set forth in this Rule 5711(d) on an initial or a continuing basis. All statements or representations contained in such rule filing regarding: (1) the description of the index,

trust holdings, or reference assets, (2) limitations on the index, trust holdings, or reference assets, (3) dissemination and availability of the index, trust holdings, reference assets or Intraday Indicative Values (as defined below) or (4) the applicability of Exchange listing rules specified in such rule filing will constitute continued listing requirements. An issuer of such securities must notify the Exchange of any failure to comply with such continued listing requirements. If Commodity-Based Trust Shares do not satisfy these requirements, the Exchange may suspend trading in the Trust shares and will initiate delisting proceedings under the Rule 5800 Series.

(ii) Applicability. This Rule is applicable only to Commodity-Based Trust Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the provisions of the Bylaws and all other rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Commodity-Based Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Bylaws and Rules of the Exchange and are subject to the Exchange's existing rules governing the trading of equity securities.

(iii) Definitions. The following terms as used in the Rule shall, unless the context otherwise requires, have the meaning herein specified:

(A) Commodity-Based Trust Shares. The term "Commodity-Based Trust Shares" means a security that:

(1) is issued by a trust, limited liability company, partnership, or other similar entity ("Trust") that, if applicable, is operated by a registered commodity pool operator pursuant to the Commodity Exchange Act, and is not registered as an investment company pursuant to the Investment Company Act of 1940, or series or class thereof;

(2) is designed to reflect the performance of one or more reference assets or an index of reference assets, less expenses and other liabilities;

(3) in order to reflect the performance as provided in (d)(iii)(A)(2) above, is issued by a Trust that holds (a) one or more commodities or commodity-based assets as defined in (d)(iii)(C) below, and (b) in addition to such commodities or commodity-based assets, may hold securities, cash, and cash equivalents;

(4) is issued by such Trust in a specified aggregate minimum number in return for a deposit of (a) a specified quantity of the underlying commodities, commodity-based assets, securities, cash, and/or cash equivalents, or (b) a cash amount with a value based on the next determined net asset value per Trust share; and

(5) when aggregated in the same specified minimum number, may be redeemed at a holder's request by such Trust which will deliver to the redeeming holder (a) the specified quantity of the underlying commodities, commodity-based assets,

securities, cash, and/or cash equivalents, or (b) a cash amount with a value based on the next determined net asset value per Trust share.

(B) Commodity. The term “commodity” is as defined in Section 1a(9) of the Commodity Exchange Act that is not an “excluded commodity” as defined in Section 1a(19) of the Commodity Exchange Act.

(C) Commodity-Based Asset. The term “commodity-based asset” means any future, option, or swap on a commodity, as defined in paragraph (B) above.

(D) Cash Equivalent. The term “cash equivalent” means short-term instruments with maturities of less than three months as follows:

(1) U.S. Government securities, including bills, notes, and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. Government agencies or instrumentalities;

(2) certificates of deposit issued against funds deposited in a bank or savings and loan association;

(3) bankers' acceptances, which are short-term credit instruments used to finance commercial transactions;

(4) repurchase agreements and reverse repurchase agreements;

(5) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest;

(6) commercial paper, which are short-term unsecured promissory notes; and

(7) money market funds.

(E) Net Asset Value. The term “net asset value” means the value of Commodity-Based Trust Shares that is used in computing periodically the current price for the purpose of creation and redemption of Trust shares and is an amount which reflects the current market value of the assets held by the Trust less expenses and liabilities.

(F) Designated Contract Market. The term “designated contract market” means a board of trade or exchange that has been designated as a contract market under Section 5 of the Commodity Exchange Act and operates under the regulatory oversight of the Commodity Futures Trading Commission pursuant to Section 5 of the Commodity Exchange Act.

(G) Exchange-Traded Fund. The term “exchange-traded fund” or “ETF” means an open-end management investment company or a unit investment trust as defined in Section 4(2) of the Investment Company Act of 1940 or series or class thereof, the

shares of which are listed and traded on a national securities exchange, and that has formed and operates under an exemptive order under the Investment Company Act of 1940 or in reliance on an exemptive rule adopted by the Securities and Exchange Commission.

(H) Intraday Indicative Value. The term “Intraday Indicative Value” means the estimated indicative value of a Trust share based on current information regarding the value of the Trust's underlying assets.

(I) Market Price. The term “market price” means:

(1) the official closing price of a Trust share; or

(2) if it more accurately reflects the market value of a Trust share at the time as of which the Trust calculates current net asset value per share, the price that is the midpoint between the national best bid and national best offer as of that time.

(J) Premium or Discount. The term “premium or discount” means the positive or negative difference between the market price of a Trust share at the time as of which the current net asset value is calculated and the Trust's current net asset value per share, expressed as a percentage of the Trust share's current net asset value per share.

(iv) Eligibility Criteria. The Commodity-Based Trust Shares holdings shall meet the following criteria initially and, with the exception of (A)(3) below, on a continuing basis:

(A) Commodities and commodity-based assets. For each commodity or commodity that underlies a commodity-based asset held by the Trust, at least one of the following in (1) – (3):

(1) the commodity trades on a market that is an Intermarket Surveillance Group (“ISG”) member; provided that the Exchange may obtain information about trading in such commodity from the ISG member;

(2) the commodity underlies a futures contract that has been made available to trade on a designated contract market for at least six months; provided that the Exchange has a comprehensive surveillance sharing agreement, whether directly or through common membership in ISG, with such designated contract market; or

(3) on an initial basis only, an exchange-traded fund designed to provide economic exposure of no less than 40% of its net asset value to the commodity lists and trades on a national securities exchange.

(B) Securities. Each security held by the Trust shall meet the criteria of Rule 5735 (Managed Fund Shares), Sections (b)(1)(A), (B), or if the security is a listed option, trades on an ISG market.

(v) **Disclosed Information.** The Trust must disclose prominently on its website, which is publicly available and free of charge, the following information:

(A) Before the opening of regular trading on the Exchange, for the Trust's commodities, commodity-based assets, securities, cash and cash equivalent, to the extent applicable:

(1) ticker symbol;

(2) identifier;

(3) description of the holding;

(4) the quantity of each commodity, commodity-based asset, security, cash, and cash equivalent held; and

(5) percentage weighting of the Trust's assets.

(B) The Trust's current net asset value per share, market price, and premium or discount, each as of the end of the prior business day.

(C) A table showing the number of days the Trust's shares traded at a premium or discount during the most recently completed calendar year and the most recently completed calendar quarters since that year (or the life of the Trust, if shorter).

(D) A line graph showing the Trust share's premiums or discounts for the most recently completed calendar year and the most recently completed calendar quarters since that year (or the life of the Trust, if shorter).

(E) The Trust share's median-ask spread, expressed as a percentage rounded to the nearest hundredth, computed by:

(1) identifying the Trust share's national best bid and national best offer as of the end of each 10 second interval during each trading day of the last 30 calendar days;

(2) dividing the difference between each such bid and offer by the midpoint of the national best bid and national best offer; and

(3) identifying the median of those values.

(F) Liquidity risk policies and procedures as described in paragraph (vii) below of this Rule.

(G) The Trust's methodology for the calculation of its net asset value.

(H) The Trust's trading volume for the previous day; and

(I) The Trust's effective prospectus, in a form available for download.

(vi) The Trust may not seek, directly or indirectly, to provide investment returns that correspond to the performance of an index, benchmark, or reference value by a specified multiple, or to provide investment returns that have an inverse or multiple inverse relationship to the performance of an index, benchmark, or reference value, over a predetermined period of time.

(vii) **Liquidity risk policies and procedures.** If a Trust has on a daily basis less than 85% of its assets readily available to meet redemption requests, the Trust must have written liquidity risk policies and procedures reasonably designed to address the risk that it could not meet requests to redeem shares issued by the Trust without significant dilution of remaining shareholders' interest in the Trust. Such policies and procedures must be periodically reviewed (with such review occurring no less frequently than annually) by the Trust and must address the following, as applicable. For purposes of this Rule, an asset is deemed not readily available to meet redemption requests if it is segregated, pledged, hypothecated, encumbered or otherwise restricted or prevented from being liquidated, sold, transferred, or assigned within one business day.

(A) The Trust's investment strategy and liquidity of the Trust's assets during normal and stressed conditions, including holdings in derivatives and whether the investment strategy is appropriate for effective and efficient arbitrage.

(B) Holdings of cash and cash equivalents, as well as borrowing arrangements and other funding sources.

(C) Percentage and description of the Trust's assets that are segregated, pledged, hypothecated, encumbered, or otherwise restricted or prevented from being liquidated, sold, transferred or assigned.

(viii) **Initial and Continued Listing.** Commodity-Based Trust Shares will be listed and/or traded on the Exchange subject to application of the following criteria:

(A) Initial Listing

(1) The Exchange will establish a minimum number of Commodity-Based Trust Shares required to be outstanding at the time of commencement of trading on the Exchange; and

(2) All Commodity-Based Trust Shares shall have a stated investment objective, which shall be adhered to under normal market conditions.

(B) Continued Listing. The Exchange will maintain surveillance procedures for Trust shares listed under this Rule and will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, such series under any of the following circumstances:

(1) if following the initial 12 month period following commencement of trading on the Exchange:

a. the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Commodity-Based Trust Shares;

b. if the Trust has fewer than 50,000 Trust shares issued and outstanding; or

c. if the market value of all Trust shares issued and outstanding is less than \$1,000,000;

(2) if an interruption to the dissemination of the value of the underlying reference asset(s) or index persists past the trading day in which it occurred or is no longer calculated or made widely available on at least a 15-second basis from a source unaffiliated with the sponsor or the Trust.

(3) if an interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred or is no longer made widely available to all market participants at the same time on at least a 15-second basis during the Market Hours;

(4) the net asset value is not calculated at least once daily or made widely available to all market participants at the same time;

(5) the information as set forth in this Rule is no longer being disclosed in accordance with the requirements of paragraph (v) above;

(6) the Exchange submits a rule filing pursuant to Section 19(b) of the Securities Exchange Act of 1934 to permit the listing and trading of Commodity-Based Trust Shares that do not otherwise meet the standards set forth in this Rule 5711(d) and such series of Commodity-Based Trust Shares is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the index, reference assets or trust holdings; (b) limitations on the index, reference assets or trust holdings; (c) dissemination and availability of the index, reference asset or Intraday Indicative Values; or (d) the applicability of Exchange listing rules specified in such proposals;

(7) if any of the requirements set forth in this rule are not continuously maintained; or

(8) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Commodity-Based Trust Shares issued in connection with such Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus.

which may provide for termination if the value of the Trust falls below a specified amount.

(ix) Trading Halt.

(A) The Exchange may halt trading during the day in which the interruption to the following occurs. If the interruption persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. If Commodity-Based Trust Shares are trading on the Exchange pursuant to unlisted trading privileges, the Exchange will halt trading as specified in Equity 4, Rule 4120(b).

(1) the value of the underlying reference asset(s) or index is not made widely available on at least a 15-second basis from a source unaffiliated with the sponsor or the Trust;

(2) the Intraday Indicative Value is not made widely available to all market participants at the same time on at least a 15-second basis during Market Hours; or

(3) the information as set forth in this Rule is not being disclosed in accordance with the requirements of paragraph (v) above.

(B) If the Exchange becomes aware that the net asset value is not disseminated to all market participants at the same time, it will halt trading in the Commodity-Based Trust Shares until such time as the net asset value is available to all market participants.

(x) Firewalls.

(1) If the value of a Commodity-Based Trust Share is based in whole or in part on an index that is maintained by a broker-dealer, the broker-dealer shall erect and maintain a “firewall” around the personnel responsible for the maintenance of such index or who have access to information concerning changes and adjustments to the index.

(2) Any advisory committee, supervisory board, or similar entity that advises an index licensor or administrator or that makes decisions regarding the index composition, methodology, and related matters must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, non-public information regarding the applicable index.

(3) If the Trust is affiliated with any entity that has the ability to influence the price or supply of a commodity, or a commodity underlying a commodity-based asset, held by the Trust, the Trust shall (i) implement and maintain a “firewall” between any such entity and the Trust, (ii) have written policies and procedures designed to prevent the use and dissemination of material, non-public information regarding the Trust; and (iii) have written policies and procedures designed to prevent fraudulent,

deceptive or manipulative acts, practices, or courses of business with respect to the Trust and such commodity.

(xi) Limitation of Exchange Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying commodity value, the current value of the underlying commodity required to be deposited to the Trust in connection with issuance of Commodity-Based Trust Shares; resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in an underlying commodity.

(xii) Market Maker Accounts. A registered Market Maker in Commodity-Based Trust Shares must file with the Exchange in a manner prescribed by the Exchange and keep current a list identifying all accounts for trading in an underlying commodity and commodity-based asset which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker shall trade in an underlying commodity, commodity-based asset, or any other related derivative thereon in an account in which a registered Market Maker (1) directly or indirectly controls trading activities, or has a direct interest in the profits or losses thereof, (2) is required by this Rule to disclose to the Exchange, and (3) has not reported to the Exchange.

In addition to the existing obligations under Exchange rules regarding the production of books and records (see, e.g., Rule 4625), the registered Market Maker in Commodity-Based Trust Shares shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or registered or non-registered employee affiliated with such entity for its or their own accounts for trading the underlying commodity or commodity-based asset, or applicable derivatives of each of the foregoing, as may be requested by the Exchange.

Commentary:

.01 The Exchange requires that Members provide all purchasers of newly issued Commodity-Based Trust Shares a prospectus for the series of Commodity-Based Trust Shares.

.02 Transactions in Commodity-Based Trust Shares will occur during the trading hours specified in Equity 1, Section 1(a)(13).

.03 An issuer of Commodity-Based Trust Shares must notify the Exchange of any failure to comply with the continued listing requirements.

(e) Currency Trust Shares

(i) The Exchange will consider for listing and trading Currency Trust Shares that meet the criteria of this Rule.

(ii) **Applicability.** This Rule is applicable only to Currency Trust Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the provisions of the trust issued receipts rules, Bylaws, and all other rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Currency Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Bylaws and Rules of the Exchange.

(iii) **Currency Trust Shares.** The term "Currency Trust Shares" as used in these Rules shall, unless the context otherwise requires, mean a security that (A) is issued by a trust ("Trust") that holds a specified non-U.S. currency or currencies deposited with the Trust; (B) when aggregated in some specified minimum number may be surrendered to the Trust by an Authorized Participant (as defined in the Trust's prospectus) to receive the specified non-U.S. currency or currencies; and (C) pays beneficial owners interest and other distributions on the deposited non-U.S. currency or currencies, if any, declared and paid by the Trust.

(iv) **Designation of Non-U.S. Currency.** The Exchange may trade, either by listing or pursuant to unlisted trading privileges, Currency Trust Shares that hold a specified non-U.S. currency or currencies. Each issue of Currency Trust Shares shall be designated as a separate series and shall be identified by a unique symbol.

(v) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Currency Trust Shares that do not otherwise meet the standards set forth below. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on the reference assets or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals shall constitute continued listing standards.

(vi) **Initial and Continued Listing.** Currency Trust Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing.** The Exchange will establish a minimum number of Currency Trust Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) **Continued Listing.** The Exchange will consider the suspension of trading in and will initiate delisting proceedings under the Rule 5800 Series of, such series under any of the following circumstances:

(1) if following the initial 12 month period following commencement of trading on the Exchange:

a. the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Currency Trust Shares;

b. if the Trust has fewer than 50,000 Currency Trust Shares issued and outstanding; or

c. if the market value of all Currency Trust Shares issued and outstanding is less than \$1,000,000;

(2) if an interruption to the dissemination of the value of the applicable non-U.S. currency persists past the trading day in which it occurred or is no longer calculated or available on at least a 15-second delayed basis by the Exchange or one or more major market data vendors during Market Hours (as defined in Equity 1, Section 1(a)(13));

(3) if an interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred or is no longer made available on at least a 15-second delayed basis;

(4) If the Exchange files separate proposals under Section 19(b) of the Act, any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on reference assets or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals are not satisfied on a continued listing basis;

(5) if any of the requirements set forth in this rule are not continuously maintained; or

(6) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Currency Trust Shares issued in connection with such entity Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of the Trust falls below a specified amount.

(C) **Term.** The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) **Trustee.** The following requirements apply on an initial and continued listing basis:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the applicable Trust prospectus.

(vii) **Limitation of Exchange Liability.** Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any applicable non-U.S. currency value; the current value of the applicable non-U.S. currency required to be deposited to the Trust in connection with issuance of Currency Trust Shares; net asset value; or any other information relating to the purchase, redemption, or trading of the Currency Trust Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in an applicable non-U.S. currency.

(viii) **Market Maker Accounts.** A registered Market Maker in Currency Trust Shares must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading in the applicable non-U.S. currency, options, futures or options on futures on such currency, or any other derivatives based on such currency, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker shall trade in the applicable non-U.S. currency, options, futures or options on futures on such currency, or any other derivatives based on such currency, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule .

In addition to the existing obligations under Exchange rules regarding the production of books and records (see e.g., Rule 4625), a registered Market Maker in Currency Trust Shares shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or registered or non-registered employee affiliated with such entity for its or their own accounts for trading the applicable non-U.S. currency, options, futures or options on futures on such currency, or any other derivatives based on such currency, as may be requested by the Exchange.

Commentary:

.01 A Currency Trust Share is a Trust Issued Receipt that holds a specified non-U.S. currency or currencies deposited with the Trust.

.02 The Exchange requires that Members provide all purchasers of newly issued Currency Trust Shares a prospectus for the series of Currency Trust Shares.

.03 Transactions in Currency Trust Shares will occur during the trading hours specified in Equity 1, Section 1(a)(13).

.04 The Exchange may approve an issue of Currency Trust Shares for listing and/or trading pursuant to Rule 19b-4(e) under the Act. Such issue shall satisfy the criteria set forth in this rule on an initial and, except for paragraph (a) below, continued listing basis, provided that, for issues approved for trading pursuant to unlisted trading privileges, only paragraphs (b), (c), and (d) below are required to be satisfied. If an interruption to the dissemination required by paragraphs (b) or (c) persists past the trading day in which it occurred or paragraph (d) is not maintained, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

(a) a minimum of 100,000 shares of a series of Currency Trust Shares is required to be outstanding at commencement of trading;

(b) the value of the applicable non-U.S. currency, currencies or currency index must be disseminated by one or more major market data vendors on at least a 15-second delayed basis;

(c) the Intraday Indicative Value must be calculated and widely disseminated by the Exchange or one or more major market data vendors on at least a 15-second basis during Market Hours (as defined in Equity 1, Section 1(a)(13)); and

(d) The Exchange will implement and maintain written surveillance procedures applicable to Currency Trust Shares.

.05 If the value of a Currency Trust Share is based in whole or in part on an index that is maintained by a broker-dealer, the broker-dealer shall erect and maintain a "fire wall" around the personnel responsible for the maintenance of such index or who have access to information concerning changes and adjustments to the index, and the index shall be calculated by a third party who is not a broker-dealer.

Any advisory committee, supervisory board or similar entity that advises an index licensor or administrator or that makes decisions regarding the index or portfolio composition, methodology and related matters must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material, nonpublic information regarding the applicable index or portfolio.

.06 **Equity Trading Rules.** Currency Trust Shares will be subject to the Exchange's equity trading rules.

.07 Trading Halts. If the Intraday Indicative Value, or the value of the non-U.S. currency or currencies or the currency index applicable to a series of Currency Trust Shares is not being disseminated as required, the Exchange may halt trading during the day on which such interruption first occurs. If such interruption persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. If the Exchange becomes aware that the net asset value applicable to a series of Currency Trust Shares is not being disseminated to all market participants at the same time, it will halt trading in such series until such time as the net asset value is available to all market participants.

(f) Commodity Index Trust Shares

(i) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Commodity Index Trust Shares that meet the criteria of this Rule.

(ii) **Applicability.** This Rule is applicable only to Commodity Index Trust Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the provisions of the trust issued receipts rules, Bylaws, and all other rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Commodity Index Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Bylaws and Rules of the Exchange.

(iii) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading Commodity Index Trust Shares. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the index, reference assets, or trust holdings; (b) limitations on index composition, reference assets, or trust holdings; (c) dissemination and availability of the reference asset, index, or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals shall constitute continued listing standards.

(iv) **Commodity Index Trust Shares.** The term "Commodity Index Trust Shares" as used in the Rules shall, unless the context otherwise requires, mean a security that: (A) is issued by a trust ("Trust") that: (1) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, and that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and (2) that holds long positions in futures contracts on a specified commodity index, or interests in a commodity pool which, in turn, holds such long positions; and (B) when aggregated in some specified minimum number may be surrendered to the Trust by the beneficial owner to receive positions in futures contracts on a specified index and cash or short term securities. The term "futures contract" is commonly known as a "contract of sale of a commodity for future delivery" set forth in Section 2(a) of the Commodity Exchange Act.

(v) **Designation.** The Exchange may trade, either by listing or pursuant to unlisted trading privileges, Commodity Index Trust Shares based on one or more securities. The Commodity Index Trust Shares based on particular securities shall be designated as a separate series and shall be identified by a unique symbol.

(vi) **Initial and Continued Listing.** Commodity Index Trust Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing.** The Exchange will establish a minimum number of Commodity Index Trust Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) **Continued Listing.** The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Commodity Index Trust Shares under any of the following circumstances:

(1) following the initial twelve-month period beginning upon the commencement of trading of the Commodity Index Trust Shares, there are fewer than 50 record and/or beneficial holders of Commodity Index Trust Shares;

(2) if an interruption to the dissemination of the value of the applicable underlying index persists past the trading day in which it occurred or is no longer calculated or available on at least a 15-second delayed basis from a source unaffiliated with the sponsor, the Trust or the trustee of the Trust;

(3) if the net asset value for the trust is no longer disseminated to all market participants at the same time;

(4) if an interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred or is no longer made available on at least a 15-second delayed basis;

(5) if the Commodity Index Trust Shares do not comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the index, reference assets, or trust holdings; (b) limitations on index composition, reference assets, or trust holdings; (c) dissemination and availability of the reference asset, index, or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals;

(6) if any of the requirements set forth in this rule are not continuously maintained; or

(7) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Commodity Index Trust Shares issued in connection with such entity Trust be removed from Exchange listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of the Trust falls below a specified amount.

(C) **Term.** The stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) **Trustee.** The following requirements apply on an initial and continued listing basis:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the applicable Trust prospectus.

(vii) **Limitation of Exchange Liability.** Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any applicable underlying index value; the current value of the applicable positions or interests required to be deposited to the Trust in connection with issuance of Commodity Index Trust Shares; net asset value; or any other information relating to the purchase, redemption, or trading of the Commodity Index Trust Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in the applicable positions or interests.

(viii) **Market Maker Accounts.** A registered Market Maker in Commodity Index Trust Shares must file with the Exchange in a manner prescribed by the Exchange and keep current a list identifying all accounts for trading in the applicable physical commodities included in, or options, futures or options on futures on, an index underlying an issue of Commodity Index Trust Shares or any other derivatives based on such index or based on any commodity included in such index, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker shall trade in the applicable physical commodities included in, or options, futures or options on futures on, an index underlying an issue of Commodity Index Trust Shares or any other derivatives based on such index or based on any commodity included in such index, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

In addition to the existing obligations under the Exchange rules regarding the production of books and records, (see e.g., Rule 4625), a registered Market Maker in Commodity Index Trust Shares shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or registered or non-registered employee affiliated with such entity for its or their own accounts for trading the applicable physical commodities included in, or options, futures or options on futures on, an index underlying an issue of Commodity Index Trust Shares or any other derivatives based on such index or based on any commodity included in such index, as may be requested by the Exchange.

Commentary:

.01 A Commodity Index Trust Share is a Trust Issued Receipt that holds long positions in futures contracts on a specified commodity index, or interests in a commodity pool which, in turn, holds such long positions, deposited with the Trust.

.02 The Exchange requires that Members provide all purchasers of newly issued Commodity Index Trust Shares a prospectus for the series of Commodity Index Trust Shares.

.03 Transactions in Commodity Index Trust Shares will occur during the trading hours specified in Equity 1, Section 1(a)(13).

(g) Commodity Futures Trust Shares

(i) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Commodity Futures Trust Shares that meet the criteria of this Rule.

(ii) **Applicability.** This Rule is applicable only to Commodity Futures Trust Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the provisions of the trust issued receipts rules, Bylaws, and all other rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Commodity Futures Trust Shares are included within the definition of "security" or "securities" as such terms are used in the Bylaws and Rules of the Exchange.

(iii) **Commodity Futures Trust Shares.** The term "Commodity Futures Trust Shares" as used in the Rules shall, unless the context otherwise requires, mean a security that (A) is issued by a trust ("Trust") that (1) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, and that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and (2) holds positions in futures contracts that track the performance of a specified commodity, or interests in a commodity pool which, in turn, holds such positions; and (B) is issued and redeemed daily in specified aggregate amounts at net asset value. The term "futures contract" is a "contract of sale of a commodity for future delivery" set forth in Section

2(a) of the Commodity Exchange Act. The term "commodity" is defined in Section 1(a)(4) of the Commodity Exchange Act.

(iv) **Designation of an Underlying Commodity Futures Contract.** The Exchange may trade, either by listing or pursuant to unlisted trading privileges, Commodity Futures Trust Shares based on an underlying commodity futures contract. Each issue of Commodity Futures Trust Shares shall be designated as a separate series and shall be identified by a unique symbol.

(v) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading separate and distinct Commodity Futures Trust Shares designated on different underlying futures contracts. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on reference assets, or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals shall constitute continued listing standards.

(vi) **Initial and Continued Listing.** Commodity Futures Trust Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing.** The Exchange will establish a minimum number of Commodity Futures Trust Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) **Continued Listing.** The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Commodity Futures Trust Shares under any of the following circumstances:

(1) if, following the initial twelve-month period beginning upon the commencement of trading of the Commodity Futures Trust Shares: (a) the Trust has fewer than 50,000 Commodity Futures Trust Shares issued and outstanding; or (b) the market value of all Commodity Futures Trust Shares issued and outstanding is less than \$1,000,000; or (c) there are fewer than 50 record and/or beneficial holders of Commodity Futures Trust Shares;

(2) if an interruption to the dissemination of the value of the underlying futures contracts persists past the trading day in which it occurred or is no longer calculated or available on at least a 15-second delayed basis during the Exchange's Market Hours (as defined in Equity 1, Section 1(a)(13)) from a source unaffiliated with the sponsor, the Trust or the trustee of the Trust;

(3) if the net asset value for the Trust is no longer disseminated to all market participants at the same time;

(4) if an interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred or is no longer disseminated on at least a 15-second delayed basis during the Exchange's Market Hours (as defined in Equity 1, Section 1(a)(13));

(5) if the Commodity Futures Trust Shares do not comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on reference assets or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals;

(6) if any of the requirements set forth in this rule are not continuously maintained;
or

(7) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Commodity Futures Trust Shares issued in connection with such trust be removed from Exchange listing. A Trust will terminate in accordance with the provisions of the Trust prospectus.

(C) **Term.** The stated term of the Trust shall be as stated in the prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) **Trustee.** The following requirements apply on an initial and continued listing basis:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the applicable Trust prospectus.

(vii) **Market Maker Accounts.**

(A) A registered Market Maker in Commodity Futures Trust Shares must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading the underlying commodity, related futures or options on futures, or any other related derivatives, which the registered Market Maker may have

or over which it may exercise investment discretion. No registered Market Maker in the Commodity Futures Trust Shares shall trade in the underlying commodity, related futures or options on futures, or any other related derivatives, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

(B) In addition to the existing obligations under the Exchange rules regarding the production of books and records (see, e.g., Rule 4625), the registered Market Maker in Commodity Futures Trust Shares shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or any limited partner, officer or approved person thereof, registered or nonregistered employee affiliated with such entity for its or their own accounts in the underlying commodity, related futures or options on futures, or any other related derivatives, as may be requested by the Exchange.

(viii) **Limitation of Exchange Liability.** Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying futures contract value; the current value of positions or interests if required to be deposited to the Trust in connection with issuance of Commodity Futures Trust Shares; net asset value; or other information relating to the purchase, redemption or trading of Commodity Futures Trust Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reporting of transactions in an underlying futures contract.

Commentary:

.01 Members trading in Commodity Futures Trust Shares shall provide all purchasers of newly issued Commodity Futures Trust Shares a prospectus for the series of Commodity Futures Trust Shares.

.02 Transactions in Commodity Futures Trust Shares will occur during the trading hours specified in Equity 1, Section 1(a)(13).

.03 If the Intraday Indicative Value or the value of the underlying futures contract is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the Intraday Indicative Value or the value of the underlying futures contract occurs. If the interruption to the dissemination of the Intraday Indicative Value or the value of the underlying futures contract persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.

In addition, if the Exchange becomes aware that the net asset value with respect to a series of Commodity Futures Trust Shares is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the net asset value is available to all market participants.

.04 The Exchange's rules governing the trading of equity securities apply.

.05 The Exchange will implement and maintain written surveillance procedures for Commodity Futures Trust Shares.

(h) Partnership Units

(i) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Partnership Units that meet the criteria of this Rule.

(ii) **Definitions.** The following terms as used in the Rule shall, unless the context otherwise requires, have the meanings herein specified:

(A) **Commodity.** The term "commodity" is defined in Section 1(a)(4) of the Commodity Exchange Act.

(B) **Partnership Units.** The term "Partnership Units" for purposes of this Rule means a security (a) that is issued by a partnership that invests in any combination of futures contracts, options on futures contracts, forward contracts, commodities and/or securities; and (b) that is issued and redeemed daily in specified aggregate amounts at net asset value.

(iii) **Designation.** The Exchange may list and trade Partnership Units based on an underlying asset, commodity or security. Each issue of a Partnership Unit shall be designated as a separate series and shall be identified by a unique symbol.

(iv) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading separate and distinct Partnership Units designated on different underlying investments, commodities and/or assets. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of Exchange listing rules specified in such proposals shall constitute continued listing standards.

(v) **Initial and Continued Listing.** Partnership Units will be listed and/or traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing.** The Exchange will establish a minimum number of Partnership Units required to be outstanding at the time of commencement of trading on the Exchange.

(B) Continued Listing. The Exchange will consider the suspension of trading in and will initiate delisting proceedings under the Rule 5800 Series of Partnership Units under any of the following circumstances:

(1) if following the initial twelve month period following the commencement of trading of Partnership Units, (a) the partnership has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Partnership Units; (b) the partnership has fewer than 50,000 Partnership Units issued and outstanding; or (c) the market value of all Partnership Units issued and outstanding is less than \$1,000,000;

(2) if an interruption to the dissemination of the value of the underlying benchmark investment, commodity or asset persists past the trading day in which it occurred or is no longer calculated or available on at least a 15-second delayed basis by the Exchange or one or more major market data vendors during the Market Hours (as defined in Equity 1, Section 1(a)(13));

(3) if an interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred or is no longer made available on at least a 15-second delayed basis;

(4) if the Partnership Units do not comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(5) if any of the requirements set forth in this rule are not continuously maintained;
or

(6) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

Upon termination of a partnership, the Exchange requires that Partnership Units issued in connection with such partnership be removed from Exchange listing. A partnership will terminate in accordance with the provisions of the partnership prospectus.

(C) Term. The stated term of the partnership shall be as stated in the prospectus. However, such entity may be terminated under such earlier circumstances as may be specified in the Partnership prospectus.

(D) General Partner. The following requirements apply on an initial and continued listing basis:

(1) The general partner of a partnership must be an entity having substantial capital and surplus and the experience and facilities for handling partnership business. In cases where, for any reason, an individual has been appointed as general partner, a qualified entity must also be appointed as general partner.

(2) No change is to be made in the general partner of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the applicable partnership prospectus.

(vi) **Market Maker Accounts.**

(A) A registered Market Maker in Partnership Units must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading the underlying asset or commodity, related futures or options on futures, or any other related derivatives, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker in the Partnership Units shall trade in the underlying asset or commodity, related futures or options on futures, or any other related derivatives, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

(B) In addition to the existing obligations under the Exchange rules regarding the production of books and records (see, e.g., Rule 4625), a registered Market Maker in Partnership Units shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or any limited partner, officer or approved person thereof, registered or non-registered employee affiliated with such entity for its or their own accounts in the underlying asset or commodity, related futures or options on futures, or any other related derivatives, as may be requested by the Exchange.

(vii) **Limitation of Exchange Liability.** Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying asset or commodity value, the current value of the underlying asset or commodity if required to be deposited to the partnership in connection with issuance of Partnership Units; net asset value; or other information relating to the purchase, redemption or trading of Partnership Units, resulting from any negligent act or omission by the Exchange or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in an underlying asset or commodity.

Commentary:

.01 The Exchange requires that Members provide to all purchasers of newly issued Partnership Units a prospectus for the series of Partnership Units.

(i) Trust Units

(i) **Applicability.** The provisions in this Rule are applicable only to Trust Units. In addition, except to the extent inconsistent with this Rule, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Trust Units are included within the definition of "security," "securities," and "derivative securities products" as such terms are used in the Rules of the Exchange.

(ii) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading separate and distinct Trust Units designated on different underlying investments, commodities, assets and/or portfolios. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on reference assets or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(iii) **Definitions.** The following terms as used in this Rule shall, unless the context otherwise requires, have the meanings herein specified:

(A) **Commodity.** The term "commodity" is defined in Section 1(a)(4) of the Commodity Exchange Act.

(B) **Trust Units.** The term "Trust Units" for purposes of this Rule means a security that is issued by a trust or other similar entity that is constituted as a commodity pool that holds investments comprising or otherwise based on any combination of futures contracts, options on futures contracts, forward contracts, swap contracts, commodities and/or securities.

(iv) **Designation.** The Exchange may list and trade Trust Units based on an underlying asset, commodity, security or portfolio. Each issue of a Trust Unit shall be designated as a separate series and shall be identified by a unique symbol.

(v) **Initial and Continued Listing.** Trust Units will be listed and/or traded on the Exchange subject to application of the following criteria:

(A) Initial Listing.

(1) The Exchange will establish a minimum number of Trust Units required to be outstanding at the time of commencement of trading on the Exchange.

(2) The Exchange will obtain a representation from the issuer of each series of Trust Units that the net asset value per share for the series will be calculated daily and will be made available to all market participants at the same time.

(B) Continued Listing.

(1) The Exchange will consider the suspension of trading in and will initiate delisting proceedings under the Rule 5800 Series of Trust Units under any of the following circumstances:

(a) if following the initial twelve month period following the commencement of trading of Trust Units, (i) the trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Units; (ii) the trust has fewer than 50,000 Trust Units issued and outstanding; or (iii) the market value of all Trust Units issued and outstanding is less than \$1,000,000; or

(b) if the Trust Units do not comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets or trust holdings; (b) limitations on reference assets or trust holdings; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(c) if any of the requirements set forth in this rule are not continuously maintained; or

(d) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(2) The Exchange will halt trading in a series of Trust Units if the circuit breaker parameters in Rule 4120(a)(11) have been reached. In exercising its discretion to halt or suspend trading in a series of Trust Units, the Exchange may consider any relevant factors. In particular, if the portfolio and net asset value per share are not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the portfolio holdings or net asset value per share occurs. If the interruption to the dissemination of the portfolio holdings or net asset value per share persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption.

Upon termination of a trust, the Exchange requires that Trust Units issued in connection with such trust be removed from Exchange listing. A trust will terminate in accordance with the provisions of the prospectus.

(C) Term. The stated term of the trust shall be as stated in the prospectus. However, such entity may be terminated under such earlier circumstances as may be specified in the prospectus.

(D) **Trustee.** The following requirements apply on an initial and continued listing basis:

(1) The trustee of a trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the prospectus.

(vi) **Limitation of Exchange Liability.** Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying portfolio value; net asset value; or other information relating to the purchase, redemption or trading of Trust Units, resulting from any negligent act or omission by the Exchange or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in the Trust Units.

(vii) **Market Maker Accounts.** A registered Market Maker in Trust Units must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading in an underlying commodity, related commodity futures or options on commodity futures, or any other related commodity derivatives, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker shall trade in an underlying commodity, related commodity futures or options on commodity futures, or any other related commodity derivatives, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

In addition to the existing obligations under the Exchange rules regarding the production of books and records (see e.g., Rule 4625), a registered Market Maker in Trust Units shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or registered or non-registered employee affiliated with such entity for its or their own accounts for trading the underlying physical commodity, related commodity futures or options on commodity futures, or any other related commodity derivatives, as may be requested by the Exchange.

Commentary:

.01 The Exchange requires that Members provide to all purchasers of newly issued Trust Units a prospectus for the series of Trust Units.

.02 Transactions in Trust Units will occur during the trading hours specified in Equity 1, Section 1(a)(13).

(i) Managed Trust Securities

(i) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Managed Trust Securities that meet the criteria of this Rule.

(ii) **Applicability.** This Rule is applicable only to Managed Trust Securities. Managed Trust Securities are included within the definition of "security" or "securities" as such terms are used in the Bylaws and Rules of the Exchange.

(iii) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading separate and distinct Managed Trust Securities. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(iv) **Definitions.** The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(A) **Managed Trust Securities.** The term "Managed Trust Securities" as used in the Rules shall, unless the context otherwise requires, mean a security that is registered under the Securities Act of 1933, as amended, (1) is issued by a trust ("Trust") that (a) is a commodity pool as defined in the Commodity Exchange Act and regulations thereunder, and that is managed by a commodity pool operator registered with the Commodity Futures Trading Commission, and (b) holds long and/or short positions in exchange-traded futures contracts and/or certain currency forward contracts selected by the Trust's advisor consistent with the Trust's investment objectives, which will only include exchange-traded futures contracts involving commodities, currencies, stock indices, fixed income indices, interest rates and sovereign, private and mortgage or asset backed debt instruments, and/or forward contracts on specified currencies, each as disclosed in the Trust's prospectus as such may be amended from time to time; and (2) is issued and redeemed continuously in specified aggregate amounts at the next applicable net asset value.

(B) **Disclosed Portfolio.** The term "Disclosed Portfolio" means the identities and quantities of the securities and other assets held by the Trust that will form the basis for the Trust's calculation of net asset value at the end of the business day.

(C) **Intraday Indicative Value.** The term "Intraday Indicative Value" is the estimated indicative value of a Managed Trust Security based on current information regarding the value of the securities and other assets in the Disclosed Portfolio.

(D) **Reporting Authority.** The term "Reporting Authority" in respect of a particular series of Managed Trust Securities means the Exchange, an institution, or a reporting or information service designated by the Exchange or by the Trust or the exchange that lists a particular series of Managed Trust Securities (if the Exchange is trading such series pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such series, including, but not limited to, the Intraday Indicative Value, the Disclosed Portfolio, the amount of any cash distribution to holders of Managed Trust Securities, net asset value, or other information relating to the issuance, redemption or trading of Managed Trust Securities. A series of Managed Trust Securities may have more than one Reporting Authority, each having different functions.

(v) **Designation.** The Exchange may trade, either by listing or pursuant to unlisted trading privileges, Managed Trust Securities based on the underlying portfolio of exchange-traded futures and/or certain currency forward contracts described in the related prospectus. Each issue of Managed Trust Securities shall be designated as a separate trust or series and shall be identified by a unique symbol.

(vi) **Initial and Continued Listing.** Managed Trust Securities will be listed and traded on the Exchange subject to application of the following criteria:

(A) **Initial Listing.** Each series of Managed Trust Securities will be listed and traded on the Exchange subject to application of the following initial listing criteria:

(1) The Exchange will establish a minimum number of Managed Trust Securities required to be outstanding at the time of commencement of trading on the Exchange.

(2) The Exchange will obtain a representation from the issuer of each series of Managed Trust Securities that the net asset value per share for the series will be calculated daily and that the net asset value and the Disclosed Portfolio will be made available to all market participants at the same time.

(B) **Continued Listing.** Each series of Managed Trust Securities will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(1) **Intraday Indicative Value.** The Intraday Indicative Value for Managed Trust Securities will be widely disseminated by one or more major market data vendors at least every 15 seconds during the time when the Managed Trust Securities trade on the Exchange.

(2) **Disclosed Portfolio.**

(a) The Disclosed Portfolio must be disseminated at least once daily and will be made available to all market participants at the same time.

(b) The Reporting Authority that provides the Disclosed Portfolio must implement and maintain, or be subject to, procedures designed to prevent the use and

dissemination of material non-public information regarding the actual components of the portfolio.

(3) Rule Proposal Representations. Managed Trust Securities must continue to comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals.

(4) Suspension of trading or removal. The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Managed Trust Securities under any of the following circumstances:

(a) if, following the initial twelve-month period beginning upon the commencement of trading of the Managed Trust Securities: (A) the Trust has fewer than 50,000 Managed Trust Securities issued and outstanding; (B) the market value of all Managed Trust Securities issued and outstanding is less than \$1,000,000; or (C) there are fewer than 50 record and/or beneficial holders of Managed Trust Securities;

(b) if an interruption to the dissemination of the Intraday Indicative Value for the Trust persists past the trading day in which it occurred or is no longer calculated or available or the Disclosed Portfolio is not made available to all market participants at the same time;

(c) if the Trust issuing the Managed Trust Securities has failed to file any filings required by the Securities and Exchange Commission or if the Exchange is aware that the Trust is not in compliance with the conditions of any exemptive order or no-action relief granted by the Securities and Exchange Commission to the Trust with respect to the series of Managed Trust Securities;

(d) if the series of Managed Trust Securities fails to comply with any of the requirements in paragraph (B) above; or

(e) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(5) Trading Halts. If the Intraday Indicative Value of a series of Managed Trust Securities is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the Intraday Indicative Value occurs. If the interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. If a series of Managed Trust Securities is trading on the Exchange pursuant to unlisted trading privileges, the Exchange will halt trading in that series as specified in Rule 4120(a) or (b), as

applicable. In addition, if the Exchange becomes aware that the net asset value or the Disclosed Portfolio with respect to a series of Managed Trust Securities is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the net asset value or the Disclosed Portfolio is available to all market participants.

(6) Upon termination of a Trust, the Exchange requires that Managed Trust Securities issued in connection with such Trust be removed from Exchange listing. A Trust will terminate in accordance with the provisions of the Trust prospectus.

(C) **Term.** The stated term of the Trust shall be as stated in the prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) **Trustee.** The following requirements apply on an initial and continued listing basis:

(1) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(2) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) **Voting.** Voting rights shall be as set forth in the applicable Trust prospectus.

(vii) **Market Maker Accounts.**

(A) A registered Market Maker in Managed Trust Securities must file with the Exchange, in a manner prescribed by the Exchange, and keep current a list identifying all accounts for trading the underlying commodity or applicable currency, related futures or options on futures, or any other related derivatives, which a registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker in the Managed Trust Securities shall trade in the underlying commodity or applicable currency, related futures or options on futures, or any other related derivatives, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

(B) In addition to the existing obligations under the Exchange rules regarding the production of books and records, (see, e.g., Rule 4625) a registered Market Maker in Managed Trust Securities shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or any limited partner, officer or approved person thereof, registered or non-registered employee affiliated with such entity for its or their own accounts in the underlying commodity or applicable currency,

related futures or options on futures, or any other related derivatives, as may be requested by the Exchange.

(viii) Limitation of Exchange Liability. Neither the Exchange, the Reporting Authority nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any underlying futures contract value; the current value of positions or interests if required to be deposited to the Trust in connection with issuance of Managed Trust Securities; net asset value; or other information relating to the purchase, redemption or trading of Managed Trust Securities, resulting from any negligent act or omission by the Exchange, or the Reporting Authority, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, or the Reporting Authority, including, but not limited to, fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reporting of transactions in an underlying futures contract.

Commentary:

.01 The Exchange requires that Members provide all purchasers of newly issued Managed Trust Securities a prospectus for the series of Managed Trust Securities.

.02 Transactions in Managed Trust Securities will occur during the trading hours specified in Equity 1, Section 1(a)(13).

.03 The Exchange's rules governing the trading of equity securities apply.

.04 The Exchange will implement and maintain written surveillance procedures for Managed Trust Securities.

.05 If the Trust's advisor is affiliated with a broker-dealer, the broker-dealer shall erect and maintain a "fire wall" around the personnel who have access to information concerning changes and adjustments to the Disclosed Portfolio. Personnel who make decisions on the Trust's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Trust portfolio.

(k) Listing of Currency Warrants

(i) The Exchange will file separate proposals under Section 19(b) of the Act before listing and trading separate and distinct Currency Warrants. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets; (b) limitations on the reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(ii) Each series of Currency Warrants will be listed and traded on the Exchange subject to application of the following initial listing criteria:

(A) Term—One to five years from date of issuance.

(B) Cash Settlement—The warrants will be cash settled in U.S. dollars.

(C) Automatic Exercise—All currency warrants must include in their terms provisions specifying: (1) the time by which all exercise notices must be submitted, and (2) that all unexercised warrants that are in the money will be automatically exercised on their expiration date or on or promptly following the date on which such warrants are delisted by the Exchange (if such warrant issue has not been listed on another organized securities market in the United States).

(iii) Each series of Currency Warrants shall meet the following criteria on an initial and continued listing basis. If a series of Currency Warrants does not satisfy these requirements, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

(A) Size and Earnings of Warrant Issuer—The warrant issuer will be expected to have a minimum tangible net worth in excess of \$250,000,000 and otherwise to exceed substantially the earnings requirements set forth in Rule 5405(b). In the alternative, the warrant issuer will be expected: (1) to have a minimum tangible net worth of \$150,000,000 and otherwise to exceed substantially the earnings requirements set forth in Rule 5405(b), and (2) not to have issued warrants where the original issue price of all the issuer's currency warrant offerings (combined with currency warrant offerings of the issuer's affiliates) listed on a national securities exchange or traded through the facilities of the Exchange exceeds 25% of the warrant issuer's net worth.

(B) Distribution/Market Value—(i) Minimum public distribution of 1,000,000 warrants together with a minimum of 400 public holders, and an aggregate market value of \$4,000,000; or (ii) Minimum public distribution of 2,000,000 warrants together with a minimum number of public warrant holders determined on a case by case basis, an aggregate market value of \$12,000,000 and an initial warrant price of \$6.

(iv) **Suspension of trading or removal.** the Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Currency Warrants under any of the following circumstances:

(A) if a series of Currency Warrants is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the reference assets; (b) limitations on the reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(B) if any of the requirements set forth in this rule are not continuously maintained; or

(C) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(v) Regulatory Matters

(A) No Member shall accept an order from a customer to purchase or sell a Currency Warrant unless the customer's account has been approved for options trading pursuant to Options 10, Section 6.

(B) **Suitability.** The provisions of Options 10, Section 8 shall apply to recommendations in Currency Warrants and the term "option" as used therein shall be deemed for purposes of this Rule to include such warrants.

(C) **Discretionary Accounts.** Any account in which a Member exercises discretion to trade in Currency Warrants shall be subject to the provisions of Options 10, Section 9 with respect to such trading. For purposes of this Rule, the terms, "option" and "options contract" as used in Options 10, Section 9 shall be deemed to include Currency Warrants.

(D) **Supervision of Accounts.** Options 10, Section 7 shall apply to all customer accounts of a Member in which transactions in Currency Warrants are effected. The term "option" as used in Options 10, Section 7 shall be deemed to include Currency Warrants.

(E) **Public Customer Complaints.** Options 10, Section 22 shall apply to all public customer complaints received by a Member regarding Currency Warrants. The term "option" as used in Options 10, Section 22 shall be deemed to include such warrants.

(F) **Communications with Public Customers.** Members participating in Currency Warrants shall be bound to comply with the Communications and Disclosures rule of FINRA, as applicable, as though such rule were part of these Rules.

(vi) **Trading Halts or Suspensions.** Trading on the Exchange in any Currency Warrant shall be halted whenever the Exchange deems such action appropriate in the interests of a fair and orderly market or to protect investors. Trading in Currency Warrants that have been the subject of a halt or suspension by the Exchange may resume if the Exchange determines that the conditions which led to the halt or suspension are no longer present, or that the interests of a fair and orderly market are best served by a resumption of trading.

(vii) Reporting of Warrant Positions

(A) Each Member shall file with the Exchange a report with respect to each account in which the Member has an interest, each account of a partner, officer, director, or employee of such Member, and each customer account that has established an aggregate position (whether long or short) of 100,000 warrants covering the same underlying currency combining for purposes of this Rule: (1) long positions in put warrants and short positions in call warrants, and (2) short positions in put warrants with long positions in call warrants. The report shall be in such form as may be prescribed by the Exchange and

shall be filed no later than the close of business on the next day following the day on which the transaction or transactions requiring the filing of such report occurred.

(B) Whenever a report shall be required to be filed with respect to an account pursuant to this Rule, the Member filing the same shall file with the Exchange such additional periodic reports with respect to such account as the Exchange may from time to time require.

(C) All reports required by this Rule shall be filed with the Exchange in such manner and form as prescribed by the Exchange.

5712. Reserved

5713. Paired Class Shares

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Paired Class Shares that meet the criteria of this Rule.

(b) Applicability. This Rule is applicable only to Paired Class Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the By-laws and all other rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Paired Class Shares are included within the definition of "security" or "securities" as such terms are used in the By-laws and Rules of the Exchange.

(c) The Exchange will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 ("Act") before listing and trading Paired Class Shares. In addition, prior to a substitute or replacement Underlying Benchmark being selected for the Fund, the Exchange must file a related proposed rule change pursuant to Rule 19b-4 under the Act to continue listing and trading the Paired Class Shares. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(d) Paired Class Shares. The term "Paired Class Share" means a security: (1) that is issued by a trust (the "Trust") on behalf of a segregated series (the "Fund") as part of a pair of shares of opposing classes whose respective underlying values move in opposite directions as the value of the Fund's Underlying Benchmark (defined in Rule 5713(f)) varies from its starting level, where one constituent of the pair is positively linked to the Fund's Underlying Benchmark ("Up Shares") and the other constituent is inversely linked to the Fund's Underlying Benchmark ("Down Shares"); (2) that is issued in exchange for cash; (3) the issuance proceeds of which are invested and reinvested in highly rated short-term financial instruments that mature within 90 calendar days and that serve the functions of (i) covering the Fund's expenses, (ii) providing income distributions to investors, based on income (after expenses) from the financial instruments held by the Fund, (iii) providing cash proceeds for regular and special distributions to be made in cash in lieu of Paired Class Shares, and (iv) providing cash proceeds to be paid

upon the redemption of Paired Class Shares; (4) that represents a beneficial interest in the Fund; (5) the value of which is determined by the underlying value of the Fund that is attributable to the class of which such security is a part, which security underlying value will either (i) increase as a result of an increase in the Underlying Benchmark and decrease as a result of a decrease in the Underlying Benchmark (in the case of an Up Share) or (ii) increase as a result of a decrease in the Underlying Benchmark and decrease as the result of an increase in the Underlying Benchmark (in the case of a Down Share); (6) that, when timely aggregated in a specified minimum number or amount of securities, along with an equal number or amount of the securities of the opposite class that constitute the other part of the pair, may be redeemed for a distribution of cash on specified dates by authorized parties; and (7) that may be subject to mandatory redemption of all Paired Class Shares under specified circumstances.

(e) Distributions. A Fund may engage in scheduled regular distributions, special distributions that are automatically triggered upon the Underlying Benchmark exceeding a fixed rate of change since the prior distribution, and corrective distributions that are automatically triggered when the trading price of a Paired Class Share deviates by a specified amount from its underlying value for a specified period of time.

(f) Designation. The Exchange may trade, either by listing or pursuant to unlisted trading privileges, Paired Class Shares whose values are based on an index or other numerical variable ("Underlying Benchmark") whose value reflects the value of assets, prices, price volatility or other economic interests ("Reference Asset"). Each issue of Up Shares or Down Shares of a Fund shall be designated as a separate series and shall be identified by a unique symbol.

(g) Initial and Continued Listing. Paired Class Shares will be listed and traded on the Exchange subject to application of the following criteria:

(i) Initial Listing

(A) The Exchange will establish a minimum number of Paired Class Shares for each Fund required to be outstanding at the time of commencement of trading on the Exchange;

(B) The Exchange will obtain a representation from the Trust on behalf of each Fund that the underlying value per share of each Up Share and Down Share will be calculated daily and that these underlying values and information about the assets of the Fund will be made available to all market participants at the same time; and

(C) If the Underlying Benchmark is maintained by a broker-dealer or investment advisor, the broker-dealer or investment advisor shall erect and maintain a "firewall" around the personnel who have access to information concerning changes and adjustments to the Underlying Benchmark.

(ii) Continued Listing— The Exchange will consider the suspension of trading in and will initiate delisting proceedings under the Rule 5800 Series of a Fund's Paired Class Shares under any of the following circumstances:

- (A) if, following the initial twelve-month period beginning upon the commencement of trading of the Paired Class Shares: (i) there are fewer than 50 record and/or beneficial holders of the Fund's Up Shares or Down Shares; (ii) the Fund has fewer than 50,000 Up Shares or 50,000 Down Shares issued and outstanding; or (iii) the combined market value of all shares of a Fund issued and outstanding is less than \$1,000,000;
- (B) if an interruption to the dissemination of the intraday level of the Underlying Benchmark persists past the trading day in which it occurred, or a substitute or replacement Underlying Benchmark based on the same Reference Asset, is no longer calculated or available on at least a 15-second delayed basis during the Market Hours from a source unaffiliated with the sponsor, the custodian, the trustee of the Trust, the Fund or the Exchange that is a major market data vendor (e.g., Reuters or Bloomberg);
- (C) if the underlying value per share of each Up Share and Down Share of a Fund is no longer made available on a daily basis to all market participants at the same time;
- (D) if an interruption to the dissemination of the estimate of the value of a share of the series of Paired Class Shares (the "Intraday Indicative Value") of the underlying value of each listed Up Share and Down Share of the Fund persists past the trading day in which it occurred or is no longer made available on at least a 15-second delayed basis by a major market vendor during the Market Hours;
- (E) if the "fire wall" erected around the personnel who have access to information concerning changes and adjustments to the Underlying Benchmark is no longer in place;
- (F) if Paired Class Shares no longer comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;
- (G) if any of the requirements set forth in this rule are not continuously maintained; or
- (H) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.
- (iii) Term - The stated term of a Fund shall be as stated in the Fund prospectus. However, a Fund may be terminated under such earlier circumstances as may be specified in the Fund prospectus.
- (iv) Trustee - The following requirements apply on an initial and continued listing basis:
- (A) The trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee; and

(B) No change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(v) Voting - Voting rights, if any, shall be as set forth in the applicable Fund prospectus.

(h) Limitation of Exchange Liability. Neither the Exchange nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any applicable Underlying Benchmark value; the underlying value of the Fund and its Paired Class Shares; distribution values or any other information relating to the purchase, redemption, or trading of the Paired Class Shares, resulting from any negligent act or omission by the Exchange, or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange or its agent, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in the applicable positions or interests.

(i) Market Maker Accounts.

(i) A registered Market Maker in Paired Class Shares must file with the Exchange in a manner prescribed by the Exchange and keep current a list identifying all accounts for trading in the applicable securities or physical commodities included in, or options, futures or options on futures on, the Reference Asset of the Underlying Benchmark of any Paired Class Shares or any other derivatives based on such Reference Asset or based on any security or Reference Asset included in the Underlying Benchmark, which the registered Market Maker may have or over which it may exercise investment discretion. No registered Market Maker shall trade in the applicable securities or physical commodities included in, or options, futures or options on futures on, the Reference Asset of the Underlying Benchmark of any Paired Class Shares or any other derivatives based on such Reference Asset or based on any security or Reference Asset included in the Underlying Benchmark, in an account in which a registered Market Maker, directly or indirectly, controls trading activities, or has a direct interest in the profits or losses thereof, which has not been reported to the Exchange as required by this Rule.

(ii) In addition to the existing obligations under the Exchange rules regarding the production of books and records, (see e.g., Rule 4625), a registered Market Maker in Paired Class Shares shall make available to the Exchange such books, records or other information pertaining to transactions by such entity or registered or non-registered employee affiliated with such entity for its or their own accounts for trading the applicable securities or physical commodities included in, or options, futures or options on futures on, the Reference Asset of the Underlying Benchmark of any Paired Class Shares or any other derivatives based on such Reference Asset or based on any security or Reference Asset included in the Underlying Benchmark, as may be requested by the Exchange.

••• Commentary -----

.01 The Exchange requires that Members provide all purchasers of newly issued Paired Class Shares a prospectus for the Fund.

.02 Transactions in Paired Class Shares will occur during the trading hours specified in Equity 1, Section 1(a)(13).

.03 The Exchange will implement and maintain written surveillance procedures for trading the Paired Class Shares.

5715. Selected Equity-linked Debt Securities ("SEEDS")

(a) Definition

(1) SEEDS are limited-term, non-convertible debt securities of a Company where the value of the debt is based, at least in part, on the value of up to thirty (30) other issuers' common stock or non-convertible preferred stock (or sponsored American Depositary Receipts (ADRs) overlying such equity securities).

(2) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of SEEDS that do not otherwise meet the standards set forth in this rule. Any of the statements or representations regarding the index composition or reference asset, the description of the index or reference asset, limitations on the index or reference assets, dissemination and availability of the index, reference asset, or intraday indicative values, or the applicability of the Exchange listing rules specified in such proposals, constitute continued listing standards.

(b) Listing Requirements - SEEDS shall meet the following criteria on both an initial and continued listing basis. If a series of SEEDS does not satisfy these requirements, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

The Exchange will consider listing on the Exchange Equity-linked Debt Securities (SEEDS), pursuant to Rule 19b-4(e) under the Act, that meet the criteria of paragraph (b) of this rule.

(1) Issuer Listing Standards - An issuer of SEEDS shall meet the following criteria on both an initial and continued listing basis. If an issuer of SEEDS does not satisfy these requirements, the Exchange may halt trading in the SEEDs and will initiate delisting proceedings pursuant to the Rule 5800 Series.

(A) The issuer of a SEEDS must be an entity that:

(i) is listed on the Exchange, the Nasdaq Global Market, Nasdaq Global Select or the New York Stock Exchange (NYSE) or is an affiliate of a Company listed on the Exchange, the Nasdaq Global Market, Nasdaq Global Select or the NYSE; provided, however, that the provisions of Rule 5730(b) will be applied to sovereign issuers of SEEDS on a case-by-case basis; and

(ii) has a minimum net worth of \$150 million.

(B) In addition, the market value of a SEEDS offering, when combined with the market value of all other SEEDS offerings previously completed by the Company and traded on the Exchange, the Nasdaq Global, Nasdaq Global Select Market or another national securities exchange, may not be greater than 25 percent of the Company's net worth at the time of issuance.

(2) Issue Listing Standards- SEEDS shall meet the following criteria on both an initial and continued listing basis. If a series of SEEDS does not satisfy these requirements, the Exchange may halt trading in the securities and will initiate delisting proceedings pursuant to the Rule 5800 Series.

(A) Equity-Linked Debt Security Listing Standards

The issue must have:

(i) a minimum public distribution of one million SEEDS;

(ii) a minimum of 400 holders of the SEEDS, provided, however, that if the SEEDS is traded in \$1,000 denominations or is redeemable at the option of holders thereof on at least a weekly basis, there is no minimum number of holders and no minimum public distribution;

(iii) a minimum market value of \$4 million; and

(iv) a minimum term of one year.

(B) Minimum Standards Applicable to the Linked Security

An equity security on which the value of the SEEDS is based must:

(i)(a) have a market value of listed securities of at least \$3 billion and a trading volume in the United States of at least 2.5 million shares in the one-year period preceding the listing of the SEEDS;

(b) have a market value of listed securities of at least \$1.5 billion and a trading volume in the United States of at least 10 million shares in the one-year period preceding the listing of the SEEDS; or

(c) have a market value of listed securities of at least \$500 million and a trading volume in the United States of at least 15 million shares in the one-year period preceding the listing of the SEEDS.

(ii) be issued by a Company that has a continuous reporting obligation under the Act, and the security must be listed on the Exchange, the Nasdaq Global Market, Nasdaq

Global Select or another national securities exchange and be subject to last sale reporting; and

(iii) be issued by:

(a) a U.S. company; or

(b) a non-U.S. company (including a Company that is traded in the United States through sponsored ADRs) (for purposes of this paragraph, a non-U.S. company is any company formed or incorporated outside of the United States) if:

1. The Exchange or its subsidiaries has a comprehensive surveillance sharing agreement in place with the primary exchange in the country where the security is primarily traded (in the case of an ADR, the primary exchange on which the security underlying the ADR is traded);

2. the combined trading volume of the non-U.S. security (a security issued by a non-U.S. company) and other related non-U.S. securities occurring in the U.S. market and in markets with which the Exchange or its subsidiaries has in place a comprehensive surveillance sharing agreement represents (on a share equivalent basis for any ADRs) at least 50% of the combined world-wide trading volume in the non-U.S. security, other related non-U.S. securities, and other classes of common stock related to the non-U.S. security over the six month period preceding the date of listing; or

3.a. the combined trading volume of the non-U.S. security and other related non-U.S. securities occurring in the U.S. market represents (on a share equivalent basis) at least 20% of the combined world-wide trading volume in the non-U.S. security and in other related non-U.S. securities over the six-month period preceding the date of selection of the non-U.S. security for a SEEDS listing.

b. the average daily trading volume for the non-U.S. security in the U.S. markets over the six-month period preceding the date of selection of the non-U.S. security for a SEEDS listing is 100,000 or more shares; and

c. the trading volume for the non-U.S. security in the U.S. market is at least 60,000 shares per day for a majority of the trading days for the six-month period preceding the date of selection of the non-U.S. security for a SEEDS listing.

(iv) If the underlying security to which the SEEDS is to be linked is the stock of a non-U.S. company which is traded in the U.S. market as a sponsored ADR, ordinary shares

or otherwise, then the minimum number of holders of the underlying linked security shall be 2,000.

(C) Limits on the Number of SEEDS Linked to a Particular Security

(i) The issuance of SEEDS relating to any underlying U.S. security may not exceed five percent of the total outstanding shares of such underlying security. The issuance of SEEDS relating to any underlying non-U.S. security or sponsored ADR may not exceed:

(a) two percent of the total shares outstanding worldwide if at least 30 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing (The two percent limit, based on 20 percent of the worldwide trading volume in the non-U.S. security or sponsored ADR, applies only if there is a comprehensive surveillance sharing agreement in place with the primary exchange in the country where the security is primarily traded, or, in the case of an ADR, the primary exchange on which the security underlying the ADR is traded. If there is no such agreement, subparagraph (B) above requires that the combined trading volume of such security and other related securities occurring in the U.S. market represents (on a share equivalent basis for any ADRs) at least 50% of the combined worldwide trading volume in such security, other related securities, and other classes of common stock related to such security over the six month period preceding the date of listing.);

(b) three percent of the total shares outstanding worldwide if at least 50 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing; or

(c) five percent of the total shares outstanding worldwide if at least 70 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing.

(ii) If a Company proposes to issue SEEDS that relate to more than the allowable percentages of the underlying security specified above, then the Exchange, with the concurrence of the staff of the Division of Market Regulation of the Commission, will evaluate the maximum percentage of SEEDS that may be issued on a case-by-case basis.

(D) Prior to the commencement of trading of a particular SEEDS listed pursuant to this subsection, the Exchange or its subsidiaries will distribute a circular to the membership providing guidance regarding the Exchange member firm compliance responsibilities (including suitability recommendations and account approval) when handling transactions in SEEDS.

(3) Prior to the commencement of trading of a particular SEEDS listed pursuant to this subsection, the Exchange or its subsidiaries will distribute a circular to the membership

providing guidance regarding the Exchange member firm compliance responsibilities (including suitability recommendations and account approval) when handling transactions in SEEDS.

5720. Trust Issued Receipts

(a) Definitions

(1) The term "Trust Issued Receipt" means a security (a) that is issued by a trust ("Trust") which holds specified securities deposited with the Trust; (b) that, when aggregated in some specified minimum number, may be surrendered to the trust by the beneficial owner to receive the securities; and (c) that pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

(b) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Trust Issued Receipts that do not otherwise meet the standards set forth below. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; or (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(c) Listing Requirements

(1) The Exchange requires that Members provide to all purchasers of newly issued Trust Issued Receipts a prospectus for the series of Trust Issued Receipts.

(2) The eligibility requirements for component securities that are represented by a series of Trust Issued Receipts and that became part of the Trust Issued Receipt when the security was either:

(A) distributed by a Company already included as a component security in the series of Trust Issued Receipts; or

(B) received in exchange for the securities of a Company previously included as a component security that is no longer outstanding due to a merger, consolidation, corporate combination or other event, shall be as follows:

(i) the component security must be listed on the Exchange or another national securities exchange;

(ii) the component security must be registered under Section 12 of the Act; and

(iii) the component security must have a Standard & Poor's Sector Classification that is the same as the Standard & Poor's Sector Classification represented by the component

securities included in the Trust Issued Receipt at the time of the distribution or exchange.

(3) Transactions in Trust Issued Receipts may be effected until 4:00 p.m. ET each business day.

(4) The Exchange may list and trade Trust Issued Receipts based on one or more securities. The Trust Issued Receipts based on particular securities shall be designated as a separate series and shall be identified by a unique symbol. The securities that are included in a series of Trust Issued Receipts shall be selected by the Exchange or its agent, a wholly-owned subsidiary of the Exchange, or by such other person as shall have a proprietary interest in such Trust Issued Receipts.

(5) Trust Issued Receipts will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing — for each Trust, the Exchange will establish a minimum number of Trust Issued Receipts required to be outstanding at the time of the commencement of trading on the Exchange.

(B) Continued Listing — The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a Trust upon which a series of Trust Issued Receipts is based under any of the following circumstances:

(i) following the initial twelve month period following formation of a Trust and commencement of trading on the Exchange, if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts;

(ii) following the initial twelve month period following formation of a Trust and commencement of trading on the Exchange, if the Trust has fewer than 50,000 receipts issued and outstanding;

(iii) following the initial twelve month period following formation of a Trust and commencement of trading on the Exchange, if the market value of all receipts issued and outstanding is less than \$1 million;

(iv) if the Trust Issued Receipts do not comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(v) if any of the requirements set forth in this rule are not continuously maintained;

(vi) if the series of Trust Issued Receipts was listed pursuant to Rule 19b4-(e) under the Act, any component security does not meet any of the requirements of paragraph (7) below; or

(vii) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Trust Issued Receipts issued in connection with such Trust be removed from listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(C) Term — the stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) Trustee — the following requirements apply on an initial and continued listing basis:

(i) the trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(ii) no change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) Voting — voting rights shall be as set forth in the Trust prospectus.

(6) Unit of Trading — transactions in Trust Issued Receipts may only be made in round lots or round lot multiples.

(7) The Exchange may approve a series of Trust Issued Receipts for listing and trading on the Exchange pursuant to Rule 19b-4(e) under the Act, provided each of the component securities satisfies the following criteria on an initial and continued listing basis:

(A) each component security must be registered under Section 12 of the Act;

(B) each component security must have a minimum public float of at least \$150 million;

(C) each component security must be listed on the Exchange or another national securities exchange;

(D) each component security must have an average daily trading volume of at least 100,000 shares during the preceding sixty-day trading period;

(E) each component security must have an average daily dollar value of shares traded during the preceding sixty-day trading period of at least \$1 million; and

(F) the most heavily weighted component security may not initially represent more than 20% of the overall value of the Trust Issued Receipt.

5725. Index Warrants

(a) Definitions

(1) “Index Warrants” means instruments that are direct obligations of the issuing company, either exercisable throughout their life (i.e., American style) or exercisable only on their expiration (i.e., European style), entitling the holder to a cash settlement in U.S. dollars to the extent that the index has declined below (for a put warrant) or increased above (for a call warrant) the pre-stated cash settlement value of the index. Index Warrants may be based on either foreign or domestic indexes.

(2) The Exchange may submit a rule filing pursuant to Section 19(b) of the Act to permit the listing and trading of Index Warrants that do not otherwise meet the standards set forth in this rule. Any of the statements or representations regarding (a) the index composition or reference assets; (b) limitations on the index or reference assets; (c) dissemination and availability of the index, reference asset, or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals constitute continued listing standards.

(b) Listing Requirements. Index Warrants listed pursuant to this rule shall meet the following criteria on an initial and continued listing basis. If any of these criteria are not continuously maintained, the Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, the series of Index Warrants.

(1) An Index Warrant may be listed on the Exchange if it substantially meets the following criteria:

(A) The minimum public distribution shall be at least 1 million warrants.

(B) The minimum number of Public Holders shall be at least 400.

(C) The Market Value of the outstanding Index Warrants shall be at least \$4 million.

(D) The issuer of the Index Warrants must have a minimum tangible net worth in excess of \$150 million.

(E) The term of the Index Warrant shall be for a period from one to five years.

(F) Limitations on Issuance — Where a Company has a minimum tangible net worth in excess of \$150 million but less than \$250 million, the Exchange will not list stock Index

Warrants of the Company if the value of such warrants plus the aggregate value, based upon the original issuing price, of all outstanding stock index, currency index and currency warrants of the Company and its affiliates combined that are listed for trading on the Exchange or another national securities exchange exceeds 25% of the Company's net worth.

(G) A.M. Settlement — The terms of stock Index Warrants for which 25% or more of the value of the underlying index is represented by securities that are traded primarily in the United States must provide that the opening prices of the stocks comprising the index will be used to determine (i) the final settlement value (i.e., the settlement value for warrants that are exercised at expiration) and (ii) the settlement value for such warrants that are valued on either of the two business days preceding the day on which the final settlement value is to be determined.

(H) Automatic Exercise — All stock Index Warrants and any other cash-settled warrants must include in their terms provisions specifying (i) the time by which all exercise notices must be submitted and (ii) that all unexercised warrants that are in the money (or that are in the money by a stated amount) will be automatically exercised on their expiration date or on or promptly following the date on which such warrants are delisted by the Exchange (if such warrant issue has not been listed on another national securities exchange).

(I) Foreign Country Securities — In instances where the stock index underlying a warrant is comprised in whole or in part with securities traded outside the United States, the foreign country securities or American Depositary Receipts ("ADRs") thereon that (i) are not subject to a comprehensive surveillance agreement, and (ii) have less than 50% of their global trading volume in dollar value within the United States, shall not, in the aggregate represent more than 20% of the weight of the index, unless such index is otherwise approved for warrant or option trading.

(J) Changes in Number of Warrants Outstanding — Issuers of stock Index Warrants either will make arrangements with warrant transfer agents to advise the Exchange immediately of any change in the number of warrants outstanding due to the early exercise of such warrants or will provide this information themselves. With respect to stock Index Warrants for which 25% or more of the value of the underlying index is represented by securities traded primarily in the United States, such notice shall be filed with the Exchange no later than 4:30 p.m. Eastern Time, on the date when the settlement value for such warrants is determined. Such notice shall be filed in such form and manner as may be prescribed by the Exchange from time to time.

(K) Only eligible broad-based indexes can underlie Index Warrants. For purposes of this subparagraph, eligible broad-based indexes shall include those indexes approved by the Commission to underlie Index Warrants or index options traded on the Exchange or another national securities exchange.

(L) Rule Proposal Representations. Index Warrants must continue to comply with any statements or representations included in the applicable rule proposal under Section 19(b) regarding (a) the index composition or reference asset; (b) the description of the index or reference asset; (c) limitations on the index or reference assets; (c) dissemination and availability of the index, reference asset, or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals.

Any Index Warrant listed pursuant to this paragraph shall not be required to meet the requirements of Rule 5210(h), 5210(a), or 5450. the Exchange may apply additional or more stringent criteria as necessary to protect investors and the public interest.

5730. Listing Requirements for Securities Not Otherwise Specified (Other Securities)

(a) Initial Listing Requirements

(1) The Exchange will consider listing on the Exchange any security not otherwise covered by the criteria in the Rule 5400 or 5700 Series, provided the instrument is otherwise suited to trade through the facilities of the Exchange. Such securities will be evaluated for listing against the following criteria:

(A) The Company shall have assets in excess of \$100 million and stockholders' equity of at least \$10 million. In the case of a Company which is unable to satisfy the income criteria set forth in Rule 5405 (b)(1)(A), the Exchange generally will require the Company to have the following:

(i) assets in excess of \$200 million and stockholders' equity of at least \$10 million; or

(ii) assets in excess of \$100 million and stockholders' equity of at least \$20 million.

(B) For equity securities, there must be:

(i) a minimum of 400 holders of the security; and

(ii) a minimum public distribution of 1,000,000 trading units.

However, if the instrument is redeemable at the option of the holders thereof on at least a weekly basis, these requirements shall not apply.

(C) The aggregate market value/principal amount of the security shall be at least \$4 million.

(2) Issuers of securities listed pursuant to this Rule 5730 must be listed on the Exchange, the Nasdaq Global Market, Nasdaq Global Select Market or the New York Stock Exchange (NYSE) or be an affiliate of a Company listed on the Exchange, the Nasdaq Global Market, Nasdaq Global Select Market or the NYSE; provided, however, that the provisions of Rule 5450 will be applied to sovereign issuers of "other" securities on a case-by-case basis.

(3) Prior to the commencement of trading of securities listed pursuant to this paragraph, the Exchange will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to the membership providing guidance regarding Exchange member firm compliance responsibilities and requirements when handling transactions in such securities.

(b) Continued Listing Requirements

Except as otherwise provided in these rules, the aggregate market value or principal amount of publicly-held units must be at least \$1 million.

5732. Contingent Value Rights

The Exchange will list Contingent Value Rights (“CVRs”) on the Exchange. CVRs are unsecured obligations of the issuer, which provide for a possible cash payment either: (i) at maturity based upon the price performance of an affiliate’s equity security (a “Price-Based CVR”); or (ii) within a specified time period, upon the occurrence of a specified event or events related to the business of the issuer or an affiliate of the issuer (an “Event-Based CVR”).

At maturity, the holder of a Price-Based CVR is entitled to a cash payment if the average market price of the related equity security is less than a pre-set target price. The target price is typically established at the time the Price-Based CVR is issued. Conversely, should the average market price of the related equity security equal or exceed the target price, the Price-Based CVR would expire worthless.

Within a specified time period, the holder of an Event-Based CVR is entitled to a cash payment upon occurrence of an event or events related to the business of the issuer or an affiliate of the issuer specified at the time the Event-Based CVR is issued. Conversely, should the specified event or events not occur within the specified time period, the Event-Based CVR would expire worthless.

(a) Initial Listing Requirements

(1) The Company must have assets in excess of \$100 million.

(2) The Company must satisfy Nasdaq Rule 5315(f)(3)(A) or have at least \$200,000,000 in global market capitalization.

(3) The Company must satisfy the Market Value of Unrestricted Publicly Held Shares requirement of Nasdaq Rule 5315(f)(2)(A) and (B) requiring (i) a Market Value of at least \$110 million; or (ii) a Market Value of at least \$100 million, if the Company has stockholders' equity of at least \$110 million.

(4) The issuer of the CVR must not be considered non-compliant with the listing standards of the national securities exchange where either the equity security to whose price performance a Price-Based CVR, or in an Event-Based CVR, where the primary equity security is linked or the issuer’s common stock is listed.

(5) The CVR issue must have:

- (A) a minimum of 400 holders;
- (B) a minimum of 1 million CVRs outstanding;
- (C) a minimum of \$4 million market value;
- (D) a minimum life of one year; and
- (E) a minimum \$4.00 bid price.

(b) Disclosure Requirements

The issuer of an Event-Based CVR will be required to make public disclosure in accordance with the provisions of Rule 5250(b) and IM-5250-1: (i) upon the occurrence of any event that must occur as a condition to the issuer's obligation to make a cash payment with respect to the CVR (or if such an event is deemed to have occurred pursuant to the terms of the documents governing the CVR); or (ii) at any such time as it becomes clear that a condition to the cash payment with respect to the CVR has not been met as required by the documents governing the terms of the CVR.

(c) Circular

Prior to listing a CVR, the Exchange will distribute an information circular to its members in substantially the following form:

The following Contingent Voting Rights of COMPANY NAME have been approved for listing and will commence trading at a date to be announced.

NUMBER ISSUED Contingent Value Rights expiring DATE unless extended as more fully explained in the joint proxy/prospectus.

The Contingent Value Rights will trade with the ticker symbol XXXX.

Since the Contingent Value Rights have certain unique characteristics, investors should be afforded an explanation of such special characteristics and risks attendant to trading thereof, including the possibility that the maturity date may be extended and that the CVR's may possibly expire without value (consult the joint proxy/prospectus for full details). The Exchange suggests that transactions in CVR's be recommended only to investors whose accounts have been approved for options trading. If a customer has not been approved for options trading, or does not wish to open an options account, the firm should ascertain that CVR's are suitable for the customer.

Before a member, member organization, or employee of such member organization undertakes to recommend a transaction in the Contingent Value Rights, such member or

member organization should make a determination that such Contingent Value Rights are suitable for such customer and the person making the recommendation should have a reasonable basis for believing, at the time of making the recommendation, that the customer has such knowledge and experience in financial matters that he may reasonably be expected to be capable of evaluating the risks and special characteristics of recommended transaction and is financially able to bear the risks of the recommended transaction.

(d) Continued Listing Requirements

(1) At least 100,000 Publicly Held Shares;

(2) At least 100 Holders;

(3) Market Value of Listed Securities of at least \$1 million;

(4) Either the equity security to whose price performance a Price-Based CVR is linked or the issuer's common stock must remain listed; and

(5) The Exchange will delist an Event-Based CVR once the occurrence of the specified event or events related to the business of the issuer or an affiliate of the issuer has occurred or once it goes beyond the time that the specified event or events should have occurred.

5735. Managed Fund Shares

(a) The Exchange will consider listing Managed Fund Shares that meet the criteria of Rule 5735.

(b) Applicability. Rule 5735 is applicable only to Managed Fund Shares. Except to the extent inconsistent with Rule 5735, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Managed Fund Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.

(1) The Exchange may approve Managed Fund Shares for listing and/or trading (including pursuant to unlisted trading privileges) pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934. Components of a series of Managed Fund Shares listed pursuant to Rule 19b-4(e) shall satisfy the criteria set forth in this Rule 5735 upon initial listing and on a continual basis. The Exchange will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 before the listing and trading of a series of Managed Fund Shares with components that do not satisfy the criteria set forth in this Rule 5735(b)(1) or components other than those specified below. Any of the statements or representations regarding (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(A) Equity - Equity securities include the following: U.S. Component Stocks (as defined in Rule 5705); Non-U.S. Component Stocks (as defined in Rule 5705); Exchange Traded Derivative Securities (as defined in Rule 5735(c)(6)); and Linked Securities (as defined in Rule 5710). For Exchange Traded Derivative Securities and Linked Securities, no more than 25% of the equity weight of the portfolio shall consist of leveraged and/or inverse leveraged Exchange Traded Derivative Securities or Linked Securities. The securities defined in Rules 5705, 5710, and 5735(c)(6), as referenced above, shall include securities listed on another national securities exchange pursuant to substantially equivalent listing rules. To the extent that a portfolio includes convertible securities, the equity security into which such security is converted shall meet the criteria of this Rule 5735(b)(1)(A) after converting.

(i) U.S. Component Stocks. The component stocks of the equity portion of a portfolio that are U.S. Component Stocks shall meet the following criteria initially and on a continuing basis:

(a) Component stocks (excluding Exchange Traded Derivative Securities and Linked Securities) that in the aggregate account for at least 90% of the equity weight of the portfolio (excluding such Exchange Traded Derivative Securities and Linked Securities) each shall have a minimum market value of at least \$75 million;

(b) Component stocks (excluding Exchange Traded Derivative Securities and Linked Securities) that in the aggregate account for at least 70% of the equity weight of the portfolio (excluding such Exchange Traded Derivative Securities and Linked Securities) each shall have a minimum monthly trading volume of 250,000 shares, or minimum notional volume traded per month of \$25,000,000, averaged over the last six months;

(c) The most heavily weighted component stock (excluding Exchange Traded Derivative Securities and Linked Securities) shall not exceed 30% of the equity weight of the portfolio, and, to the extent applicable, the five most heavily weighted component stocks (excluding Exchange Traded Derivative Securities and Linked Securities) shall not exceed 65% of the equity weight of the portfolio;

(d) Where the equity portion of the portfolio does not include Non-U.S. Component Stocks, the equity portion of the portfolio shall include a minimum of 13 component stocks; provided, however, that there shall be no minimum number of component stocks if (i) one or more series of Exchange Traded Derivative Securities or Linked Securities constitute, at least in part, components underlying a series of Managed Fund Shares, or (ii) one or more series of Exchange Traded Derivative Securities or Linked Securities account for 100% of the equity weight of the portfolio of a series of Managed Fund Shares;

(e) Except as provided herein, equity securities in the portfolio shall be U.S. Component Stocks listed on a national securities exchange and shall be NMS

Stocks as defined in Rule 600 of Regulation NMS under the Securities Exchange Act of 1934; and

(f) American Depositary Receipts ("ADRs") in a portfolio may be exchange-traded or non-exchange-traded. However, no more than 10% of the equity weight of a portfolio shall consist of non-exchange-traded ADRs.

(ii) Non-U.S. Component Stocks. The component stocks of the equity portion of a portfolio that are Non-U.S. Component Stocks shall meet the following criteria initially and on a continuing basis:

(a) Non-U.S. Component Stocks each shall have a minimum market value of at least \$100 million;

(b) Non-U.S. Component Stocks each shall have a minimum global monthly trading volume of 250,000 shares, or minimum global notional volume traded per month of \$25,000,000, averaged over the last six months;

(c) The most heavily weighted Non-U.S. Component stock shall not exceed 25% of the equity weight of the portfolio, and, to the extent applicable, the five most heavily weighted Non-U.S. Component Stocks shall not exceed 60% of the equity weight of the portfolio;

(d) Where the equity portion of the portfolio includes Non-U.S. Component Stocks, the equity portion of the portfolio shall include a minimum of 20 component stocks; provided, however, that there shall be no minimum number of component stocks if (i) one or more series of Exchange Traded Derivative Securities or Linked Securities constitute, at least in part, components underlying a series of Managed Fund Shares, or (ii) one or more series of Exchange Traded Derivative Securities or Linked Securities account for 100% of the equity weight of the portfolio of a series of Managed Fund Shares; and

(e) Each Non-U.S. Component Stock shall be listed and traded on an exchange that has last-sale reporting.

(B) Fixed Income - Fixed income securities are debt securities that are notes, bonds, debentures, or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or a subdivision thereof, investment grade and high yield corporate debt, bank loans, mortgage and asset backed securities, and commercial paper. To the extent that a portfolio includes convertible securities, the fixed income security into which such security is converted shall meet the criteria of this Rule 5735(b)(1)(B) after converting. The components of the fixed income portion of a portfolio shall meet the following criteria initially and on a continuing basis:

(i) Components that in the aggregate account for at least 75% of the fixed income weight of the portfolio each shall have a minimum original principal amount outstanding of \$100 million or more;

(ii) No component fixed-income security (excluding Treasury Securities and GSE Securities) shall represent more than 30% of the fixed income weight of the portfolio, and the five most heavily weighted component fixed income securities in the portfolio (excluding Treasury Securities and GSE Securities) shall not in the aggregate account for more than 65% of the fixed income weight of the portfolio;

(iii) An underlying portfolio (excluding exempted securities) that includes fixed income securities shall include a minimum of 13 non-affiliated issuers, provided, however, that there shall be no minimum number of non-affiliated issuers required for fixed income securities if at least 70% of the weight of the portfolio consists of equity securities as described in Rule 5735(b)(1)(A) above;

(iv) Component securities that in aggregate account for at least 90% of the fixed income weight of the portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Securities Exchange Act of 1934; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; (d) exempted securities as defined in Section 3(a)(12) of the Securities Exchange Act of 1934; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country; and

(v) Non-agency, non-GSE and privately-issued mortgage-related and other asset-backed securities components of a portfolio shall not account, in the aggregate, for more than 20% of the weight of the portfolio.

(C) Cash and Cash Equivalents. Cash equivalents shall include short-term instruments with maturities of less than 3 months (as described herein). In addition, a portfolio may hold cash.

(i) There shall be no limitation to the percentage of the portfolio invested in such holdings.

(ii) Short-term instruments shall include the following:

(a) U.S. Government securities, including bills, notes, and bonds differing as to maturity and rates of interest, which are either issued or guaranteed by the U.S. Treasury or by U.S. Government agencies or instrumentalities;

(b) certificates of deposit issued against funds deposited in a bank or savings and loan association;

(c) bankers' acceptances, which are short-term credit instruments used to finance commercial transactions;

(d) repurchase agreements and reverse repurchase agreements;

(e) bank time deposits, which are monies kept on deposit with banks or savings and loan associations for a stated period of time at a fixed rate of interest;

(f) commercial paper, which are short-term unsecured promissory notes; and

(g) money market funds.

(D) Listed Derivatives. The portfolio may hold listed derivatives, including futures, options and swaps on commodities, currencies and financial instruments (e.g., stocks, fixed income, interest rates, and volatility) or a basket or index of any of the foregoing. There shall be no limitation to the percentage of the portfolio invested in such holdings, subject to the following requirements:

(i) in the aggregate, at least 90% of the weight of such holdings invested in futures, exchange-traded options, and listed swaps shall, on both an initial and continuing basis, consist of futures, options, and swaps for which the Exchange may obtain information via the Intermarket Surveillance Group ("ISG"), from other members or affiliates of the ISG, or for which the principal market is a market with which the Exchange has a comprehensive surveillance sharing agreement. (For purposes of calculating this limitation, a portfolio's investment in listed derivatives will be calculated as the aggregate gross notional value of the listed derivatives.); and

(ii) the aggregate gross notional value of listed derivatives based on any five or fewer underlying reference assets shall not exceed 65% of the weight of the portfolio (including gross notional exposures), and the aggregate gross notional value of listed derivatives based on any single underlying reference asset shall not exceed 30% of the weight of the portfolio (including gross notional exposures).

(E) Over-the-Counter ("OTC") Derivatives. The portfolio may hold OTC derivatives, including forwards, options, and swaps on commodities, currencies and financial instruments (e.g., stocks, fixed income, interest rates, and volatility) or a basket or index of any of the foregoing; however, on both an initial and continuing basis, no more than 20% of the assets in the portfolio may be invested in OTC derivatives. For purposes of calculating this limitation, a portfolio's investment in OTC derivatives will be calculated as the aggregate gross notional value of the OTC derivatives.

(F) To the extent that listed or OTC derivatives are used to gain exposure to individual equities and/or fixed income securities, or to indexes of equities and/or indexes of fixed income securities, the aggregate gross notional value of such exposure shall meet the criteria set forth in Rules 5735(b)(1)(A) and 5735(b)(1)(B), respectively.

(2) Transactions in Managed Fund Shares will occur throughout the Exchange's trading hours.

(3) Reserved

(4) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for Managed Fund Shares.

(5) Creation and Redemption. For Managed Fund Shares based on an international or global portfolio, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Managed Fund Shares must state that such series must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(c) Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(1) Managed Fund Share. The term "Managed Fund Share" means a security that (a) represents an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined net asset value.

(2) Disclosed Portfolio. The term "Disclosed Portfolio" means the identities and quantities of the securities and other assets held by the Investment Company that will form the basis for the Investment Company's calculation of net asset value at the end of the business day. The website for each series of Managed Fund Shares shall disclose the following information regarding the Disclosed Portfolio, to the extent applicable:

(A) ticker symbol;

(B) CUSIP or other identifier;

(C) description of the holding;

(D) with respect to holdings in derivatives, the identity of the security, commodity, index or other asset upon which the derivative is based;

(E) the strike price for any options;

(F) the quantity of each security or other asset held as measured by;

(i) par value,

(ii) notional value,

(iii) number of shares,

(iv) number of contracts, and

(v) number of units;

(G) maturity date;

(H) coupon rate;

(I) effective date;

(J) market value; and

(K) percentage weighting of the holding in the portfolio.

(3) Reserved.

(4) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Managed Fund Shares means the Exchange, an institution, or a reporting service designated by the Exchange or by the exchange that lists a particular series of Managed Fund Shares (if the Exchange is trading such series pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such series, including, but not limited to, the Disclosed Portfolio; the amount of any cash distribution to holders of Managed Fund Shares, net asset value, or other information relating to the issuance, redemption or trading of Managed Fund Shares. A series of Managed Fund Shares may have more than one Reporting Authority, each having different functions.

(5) Normal Market Conditions. The term "normal market conditions" includes, but is not limited to, the absence of trading halts in the applicable financial markets generally; operational issues (e.g., systems failure) causing dissemination of inaccurate market information; or force majeure type events such as a natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labor disruption, or any similar intervening circumstance.

(6) Exchange Traded Derivative Securities. The term "Exchange Traded Derivative Securities" means the securities described in Rules 5703 (Class ETF Shares); 5704 (Exchange Traded Fund Shares); 5705(a) (Portfolio Depository Receipts); 5705(b) (Index Fund Shares); 5720 (Trust Issued Receipts); 5711(d) (Commodity-Based Trust Shares); 5711(e) (Currency Trust Shares); 5711(f) (Commodity Index Trust Shares); 5711(g)

(Commodity Futures Trust Shares); 5711(h) (Partnership Units); 5711(i) (Trust Units); 5735 (Managed Fund Shares); and 5711(j) (Managed Trust Securities).

(d) Initial and Continued Listing — Managed Fund Shares will be listed and traded on the Exchange subject to application of the following criteria:

(1) Initial Listing — Each series of Managed Fund Shares will be listed and traded on the Exchange subject to application of the following initial listing criteria:

(A) For each series, the Exchange will establish a minimum number of Managed Fund Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) The Exchange will obtain a representation from the issuer of each series of Managed Fund Shares that the net asset value per share for the series will be calculated daily and that the net asset value and the Disclosed Portfolio will be made available to all market participants at the same time.

(C) All Managed Fund Shares shall have a stated investment objective, which shall be adhered to under normal market conditions.

(2) Continued Listing — Each series of Managed Fund Shares will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(A) Reserved.

(B) Disclosed Portfolio.

(i) The Disclosed Portfolio will be disseminated at least once daily and will be made available to all market participants at the same time.

(ii) The Reporting Authority that provides the Disclosed Portfolio must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the actual components of the portfolio.

(C) Suspension of trading or removal. The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of Managed Fund Shares under any of the following circumstances:

(i) if, following the initial twelve-month period after commencement of trading on the Exchange of a series of Managed Fund Shares, there are fewer than 50 beneficial holders of the series of Managed Fund Shares;

(ii) if the Disclosed Portfolio is not made available to all market participants at the same time;

(iii) if the Investment Company issuing the Managed Fund Shares has failed to file any filings required by the Commission or if the Exchange is aware that the Investment Company is not in compliance with the conditions of any exemptive order or no-action relief granted by the Commission to the Investment Company with respect to the series of Managed Fund Shares;

(iv) if the series of Managed Fund Shares is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(v) if any of the requirements set forth in this rule are not continuously maintained; or

(vi) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(D) Trading Halt. If the Exchange becomes aware that the net asset value or the Disclosed Portfolio with respect to a series of Managed Fund Shares is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the net asset value or the Disclosed Portfolio is available to all market participants.

(E) Termination. Upon termination of an Investment Company, the Exchange requires that Managed Fund Shares issued in connection with such entity be removed from listing on the Exchange.

(F) Voting. Voting rights shall be as set forth in the applicable Investment Company prospectus.

(e) Limitation of Liability. Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current portfolio value; the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Managed Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Managed Fund Shares; net asset value; or other information relating to the purchase, redemption, or trading of Managed Fund Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition, or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission, or delay in the reports of transactions in one or more underlying securities.

(f) Disclosures. The provisions of this subparagraph apply only to series of Managed Fund Shares that are the subject of an order by the Securities and Exchange Commission exempting such series from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and are not otherwise subject to prospectus delivery requirements under the Securities Act of 1933. The Exchange will inform its members regarding application of these provisions of this subparagraph to a particular series of Managed Fund Shares by means of an information circular prior to commencement of trading in such series.

The Exchange requires that members provide to all purchasers of a series of Managed Fund Shares a written description of the terms and characteristics of those securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, members shall include such a written description with any sales material relating to a series of Managed Fund Shares that is provided to customers or the public. Any other written materials provided by a member to customers or the public making specific reference to a series of Managed Fund Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of (the series of Managed Fund Shares) has been prepared by the (open-end management investment company name) and is available from your broker. It is recommended that you obtain and review such circular before purchasing (the series of Managed Fund Shares)."

A member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase a series of Managed Fund Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to members under this rule.

Upon request of a customer, a member shall also provide a prospectus for the particular series of Managed Fund Shares.

(g) If the investment adviser to the Investment Company issuing Managed Fund Shares is affiliated with a broker-dealer, such investment adviser shall erect and maintain a "fire wall" between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such Investment Company portfolio. Personnel who make decisions on the Investment Company's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Investment Company portfolio.

5740. Derivative Securities Traded under Unlisted Trading Privileges

The Exchange may extend unlisted trading privileges to any security that is an NMS Stock (as defined in Rule 600 of Regulation NMS under the Act) that is listed on another national securities exchange. Any such security will be subject to all Exchange trading rules applicable to

NMS Stocks, unless otherwise noted, including provisions of Rules 4120, 4630, the Rule 5400 Series, and the Rule 5700 Series.

(a) Any security that is a "new derivative securities product" as defined in Rule 19b-4(e) under the Act (a "UTP Derivative Security") and traded under unlisted trading privileges pursuant to Rule 19b-4(e) under the Act shall be subject to the additional following rules:

(1) Information Circular. The Exchange shall distribute an information circular prior to the commencement of trading in each such UTP Derivative Security that generally includes the same information as contained in the information circular provided by the listing exchange, including: (a) the special risks of trading the new derivative securities product; (b) the Rules of the Exchange that will apply to the new derivative securities product, including Rule 2310; (c) information about the dissemination of the value of the underlying assets or indexes; and (d) the applicable trading hours for the UTP Derivative Security and the risks of trading during the period from 8:00 a.m. to 9:30 a.m. and from 4:00 p.m. to 7:00 p.m. due to the lack of calculation or dissemination of the underlying index value, the Intra-Day Indicative Value (as defined in Rule 5705(a)(3)(C)) or a similar value.

(2) Product Description.

Members are subject to the prospectus delivery requirements under the Securities Act of 1933, unless the UTP Derivative Security is the subject of an order by the Commission exempting the product from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and the product is not otherwise subject to prospectus delivery requirements under the Securities Act of 1933.

The Exchange shall inform Members of the application of the provisions of this subparagraph to UTP Derivative Securities by means of an information circular. The Exchange requires that Members provide all purchasers of UTP Derivative Securities a written description of the terms and characteristics of those securities, in a form approved by the Exchange or prepared by the open-ended management company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include a written description with any sales material relating to UTP Derivative Securities that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to the

UTP Derivative Securities as an investment vehicle must include a statement substantially in the following form:

"A circular describing the terms and characteristics of [the UTP Derivative Securities] has been prepared by the [open-ended management investment company name] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [the UTP Derivative Securities]."

A Member carrying an omnibus account for a non-Member is required to inform such non-Member that execution of an order to purchase UTP Derivative Securities for such omnibus account will be deemed to constitute an agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to the Member under this Rule.

Upon request of a customer, a Member shall also provide a prospectus for the particular UTP Derivative Securities.

(3) Trading Halts. Trading halts of UTP Derivative Securities shall be governed by Rule 4120.

(4) Limitations on Market Makers. Market makers in a UTP Derivative Security that is a Commodity-Related Security (as defined in Rule 4630) shall comply with Rule 4630.

(5) Surveillance. the Exchange shall enter into a comprehensive surveillance sharing agreement with markets trading components of the index or portfolio on which the UTP Derivative Security is based to the same extent as the listing exchange's rules require the listing exchange to enter into a comprehensive surveillance sharing agreement with such markets.

5745. Exchange-Traded Managed Fund Shares ("NextShares")

(a) The Exchange will consider listing NextShares that meet the criteria of Rule 5745.

(b) Applicability. Rule 5745 is applicable only to NextShares. Except to the extent inconsistent with Rule 5745, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. NextShares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.

(1) The Exchange will file separate proposals under Section 19(b) of the Act before the listing of NextShares. Any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(2) Transactions in NextShares will occur during the Market Hours through 4:00 p.m.

(3) NAV-Based Trading. NextShares will trade on the Exchange at market-determined premiums or discounts to the NextShares Fund's next-determined net asset value per share. All bids, offers and execution prices will be expressed as a premium/discount (which may be zero) to the next-determined net asset value per share ("NAV-Based Trading"). The minimum price variation for quoting and entry of orders in NextShares is \$0.01. Trade executions will be binding at the time that orders are matched, with the transaction price

contingent upon the next-determined net asset value per share. After the Reporting Authority calculates the net asset value, the Exchange will price each transaction at the agreed premium or discount to net asset value and deliver the trading data for clearance and settlement.

(4) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for NextShares.

(5) Creation and Redemption. For NextShares based on an international or global portfolio, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of NextShares must state that such series must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(6) The Order Attributes, as described in rule 4703, are applicable to NextShares with the exception that

any Order received with a routing instruction, as described in Rule 4758, which is received prior to the opening of a NextShares, will be automatically canceled and returned.

(c) Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(1) NextShares. The term "NextShare" means a security that (a) represents an interest in a registered investment company ("NextShares Fund") organized as an open-end management investment company that invests in a portfolio of securities and other assets selected and managed by the NextShares Fund's investment adviser consistent with the NextShares Fund's investment objectives and policies; (b) is issued in a specified aggregate unit quantity in return for a deposit of a specified portfolio of securities and/or a cash amount with a value per NextShare equal to the NextShares Fund's net asset value; (c) when aggregated in the same specified unit quantity, may be redeemed for a specified portfolio of securities and/or cash with a value per NextShare equal to the NextShares Fund's net asset value; and (d) is traded on the Exchange or another national securities exchange using NAV-Based Trading, including pursuant to unlisted trading privileges.

(2) Intraday Indicative Value. The term "Intraday Indicative Value" is the estimated indicative value of a NextShare based on current information regarding the value of the securities and other assets held by the NextShares Fund.

(3) Composition File. The term "Composition File" means the specified portfolio of securities and/or cash that a NextShares Fund will accept as a deposit in issuing NextShares, and the specified portfolio of securities and/or cash that a NextShares Fund will deliver in a redemption of NextShares. The Composition File will be disseminated through the National Securities Clearing Corporation once each business day before the open of trading in

NextShares on the Exchange on such day. To maintain the confidentiality of current portfolio trading, a NextShares Fund's Composition File generally will not be a pro rata reflection of the NextShares Fund's securities positions. Each security included in the Composition File will be a current holding of the NextShares Fund, but the Composition File generally will not include all of the securities in the NextShares Fund's portfolio or match the weightings of the included securities in the portfolio. The Composition File also may consist entirely of cash, in which case it will not include any of the securities in the NextShares Fund's portfolio.

(4) Reporting Authority. The term "Reporting Authority" in respect of a particular series of NextShares means the Exchange, an institution, or a reporting service designated by the Exchange as the official source for calculating and reporting information relating to such series of NextShares, including, but not limited to, the Intraday Indicative Value, the amount of any cash distribution to holders of NextShares, net asset value per share, and the Composition File or other information relating to the issuance, redemption or trading of NextShares. A series of NextShares may have more than one Reporting Authority, each having different functions.

(d) Initial and Continued Listing — NextShares will be listed and traded on the Exchange subject to application of the following criteria:

(1) Initial Listing — Each series of NextShares will be listed and traded on the Exchange subject to application of the following initial listing criteria:

(A) For each series, the Exchange will establish a minimum number of NextShares required to be outstanding at the time of commencement of trading on the Exchange.

(B) The Exchange will obtain a representation from the issuer of each series of NextShares that the net asset value per share for the series will be calculated on each business day that the New York Stock Exchange is open for trading and that the net asset value per share will be made available to all market participants at the same time.

(C) The Reporting Authority that provides the Composition File must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the NextShares Fund's portfolio positions and changes in the positions.

(2) Continued Listing — Each series of NextShares will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(A) Intraday Indicative Value. The Intraday Indicative Value for the NextShares will be widely disseminated by one or more major market data vendors at intervals of not more than 15 minutes during the Market Hours when the NextShares trade on the Exchange.

(B) If the investment adviser to a NextShares Fund issuing NextShares is a registered broker-dealer or is affiliated with a broker-dealer, such investment adviser shall erect and

maintain a "fire wall" between the investment adviser and the broker-dealer personnel or broker-dealer affiliate, as applicable, with respect to access to information concerning the composition and/or changes to such NextShares Fund's portfolio holdings. Personnel who make decisions on the NextShares Fund's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable NextShares Fund portfolio.

(C) Suspension of trading or removal. The Exchange will consider the suspension of trading in, and will initiate delisting proceedings under the Rule 5800 Series of, a series of NextShares under any of the following circumstances:

(i) if, following the initial twelve-month period after commencement of trading on the Exchange of a series of NextShares, there are fewer than 50 beneficial holders of the series of NextShares;

(ii) if an interruption to the dissemination of the value of the Intraday Indicative Value persists past the trading day in which it occurred or the net asset value is no longer calculated, or if the Intraday Indicative Value, net asset value or Composition File is no longer available to all market participants at the same time;

(iii) if the NextShares Fund issuing the NextShares has failed to file any filings required by the Commission or the NextShares Fund is not in compliance with the conditions of any exemptive order or no-action relief granted by the Commission with respect to the series of NextShares;

(iv) if the series of NextShares is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values; or (d) the applicability of the Exchange listing rules specified in such proposals;

(v) if any of the requirements set forth in this rule are not continuously maintained; or

(vi) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(D) Trading Halt. If the Intraday Indicative Value of a series of NextShares is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the Intraday Indicative Value occurs. If the interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it first occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. In addition, if the Exchange becomes aware that the net asset value per share with respect to a series of NextShares is not calculated on each business day that the Exchange is open for trading and disseminated to all market participants at the same time, it will halt trading in such series until such time as the net

asset value per share is available to all market participants. In addition, if the Exchange becomes aware that the Composition File with respect to a series of NextShares is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the Composition File is available to all market participants.

(E) Termination. Upon termination of a NextShares Fund, the Exchange requires that NextShares issued in connection with such entity be removed from listing on the Exchange.

(F) Voting. Voting rights shall be as set forth in the applicable NextShares Fund prospectus.

(e) Limitation of Liability. Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions or delays in calculating or disseminating any current portfolio value; the current value of the securities and other assets required to be deposited in connection with issuance of NextShares; the amount of any dividend equivalent payment or cash distribution to holders of NextShares; net asset value per share; the Composition File; or other information relating to the purchase, redemption or trading of NextShares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent or the Reporting Authority, including, but not limited to, an act of God, fire, flood, extraordinary weather conditions, war, insurrection, riot, strike, accident, action of government, communications or power failure, equipment or software malfunction, or any error, omission, or delay in the reports of transactions in one or more underlying securities.

(f) Disclosures. The provisions of this subparagraph apply only to series of NextShares that are the subject of an order by the Securities and Exchange Commission exempting such series from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and are not otherwise subject to prospectus delivery requirements under the Securities Act of 1933. The Exchange will inform its members regarding application of the provisions of this subparagraph to a particular series of NextShares by means of an information circular prior to commencement of trading in such series.

The Exchange requires that members provide to all purchasers of a series of NextShares a written description of the terms and characteristics of those securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, members shall include such a written description with any sales material relating to a series of NextShares that is provided to customers or the public. Any other written materials provided by a member to customers or the public making specific reference to a series of NextShares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of (the series of NextShares) has been prepared by the (open-end management investment company name) and is available from your broker. It is recommended that you obtain and review such circular before purchasing (the series of NextShares)."

A member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase a series of NextShares for such omnibus account will be deemed to constitute agreement by the non-member to make such a written description available to its customers on the same terms as are directly applicable to members under this rule.

Upon request of a customer, a member shall also provide a prospectus for the particular series of NextShares.

(g) Proxy Price Protection. Every NextShares order is subject to the Proxy Price Protection threshold of plus/minus \$1.00, which determines the lower and upper threshold for the life of the order and whereby the order will be cancelled at any point if it exceeds \$101.00 or falls below \$99.00, the established thresholds. This threshold is applied to the proxy price amount of \$100.00, which is the proxy price that reflects the NAV of a NextShares Fund.

5750. Proxy Portfolio Shares

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Proxy Portfolio Shares that meet the criteria of this Rule.

(b) Applicability. This Rule is applicable only to Proxy Portfolio Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Proxy Portfolio Shares are included within the definition of “security” or “securities” as such terms are used in the Rules of the Exchange.

(1) The Exchange will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 before the listing and trading of a series of Proxy Portfolio Shares.

(2) Transactions in Proxy Portfolio Shares will occur throughout the Exchange’s trading hours.

(3) Minimum Price Variance. The minimum price variation for quoting and entry of orders in Proxy Portfolio Shares is \$0.01.

(4) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for Proxy Portfolio Shares. As part of these surveillance procedures, the Investment Company’s investment adviser will upon request by the Exchange or FINRA, on behalf of the Exchange, make available to the Exchange or FINRA the daily Fund Portfolio of each series of Proxy Portfolio Shares.

(5) If the investment adviser to the Investment Company issuing Proxy Portfolio Shares is registered as a broker-dealer or is affiliated with a broker-dealer, such investment adviser will erect and maintain a “fire wall” between the investment adviser and personnel of the broker-dealer or broker-dealer affiliate, as applicable, with respect to access to information concerning the composition of and/or changes to the Fund Portfolio, the Proxy Basket,

and/or Custom Basket, as applicable. Any person related to the investment adviser or Investment Company who makes decisions pertaining to the Investment Company's Fund Portfolio, the Proxy Basket, and/or Custom Basket, as applicable, or has access to nonpublic information regarding the Fund Portfolio, the Proxy Basket, and/or Custom Basket, as applicable, or changes thereto must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the Fund Portfolio and/or the Proxy Basket, and/or Custom Basket, as applicable, or changes thereto.

(6) Any person or entity, including a custodian, Reporting Authority, distributor, or administrator, who has access to nonpublic information regarding the Fund Portfolio, the Proxy Basket, or the Custom Basket, as applicable, or changes thereto, must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Fund Portfolio, the Proxy Basket, or the Custom Basket, as applicable, or changes thereto. Moreover, if any such person or entity is registered as a broker-dealer or affiliated with a broker-dealer, such person or entity will erect and maintain a "fire wall" between the person or entity and the broker-dealer with respect to access to information concerning the composition and/or changes to such Fund Portfolio, Proxy Basket, or the Custom Basket, as applicable.

(c) Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(1) Proxy Portfolio Share. The term "Proxy Portfolio Share" means a security that: (A) represents an interest in an investment company registered under the Investment Company Act of 1940 ("Investment Company") organized as an open- end management investment company, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (B) is issued in a specified aggregate minimum number in return for a deposit of a specified Proxy Basket or Custom Basket, as applicable, and/or a cash amount with a value equal to the next determined net asset value; (C) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid specified Proxy Basket or Custom Basket, as applicable, and/or a cash amount with a value equal to the next determined net asset value; and (D) the portfolio holdings for which are disclosed within at least 60 days following the end of every fiscal quarter.

(2) Fund Portfolio. The term "Fund Portfolio" means the identities and quantities of the securities and other assets held by the Investment Company that will form the basis for the Investment Company's calculation of net asset value at the end of the business day.

(3) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Proxy Portfolio Shares means the Exchange, an institution, or a reporting service designated by the Exchange or by the exchange that lists a particular series of Proxy Portfolio Shares (if the Exchange is trading such series pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such series, including, but not limited to, the Proxy Basket; the Fund Portfolio; Custom Basket; the amount of any cash distribution to holders of Proxy Portfolio Shares, net asset value, or other information

relating to the issuance, redemption or trading of Proxy Portfolio Shares. A series of Proxy Portfolio Shares may have more than one Reporting Authority, each having different functions.

(4) Normal Market Conditions. The term “Normal Market Conditions” includes, but is not limited to, the absence of trading halts in the applicable financial markets generally; operational issues (e.g., systems failure) causing dissemination of inaccurate market information; or force majeure type events such as natural or manmade disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.

(5) Proxy Basket. The term “Proxy Basket” means the identities and quantities of the securities and other assets included in a basket that is designed to closely track the daily performance of the Fund Portfolio, as provided in the exemptive relief under the 1940 Act applicable to a series of Proxy Portfolio Shares. The website for each series of Proxy Portfolio Shares shall disclose the following information regarding the Proxy Basket as required under this Rule 5750, to the extent applicable:

(A) Ticker symbol;

(B) CUSIP or other identifier;

(C) Description of holding;

(D) Quantity of each security or other asset held; and

(E) Percentage weight of the holding in the portfolio.

(6) Custom Basket. For purposes of this rule, the term “Custom Basket” means a portfolio of securities that is different from the Proxy Basket and is otherwise consistent with the exemptive relief issued pursuant to the Investment Company Act of 1940 applicable to a series of Proxy Portfolio Shares.

(d) Initial and Continued Listing. Proxy Portfolio Shares will be listed and traded on the Exchange subject to application of the following criteria:

(1) Initial Listing. Each series of Proxy Portfolio Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) For each series, the Exchange will establish a minimum number of Proxy Portfolio Shares required to be outstanding at the time of commencement of trading on the Exchange.

(B) The Exchange will obtain a representation from the issuer of each series of Proxy Portfolio Shares that (i) the net asset value per share for the series will be calculated daily, (ii) each of the following will be made available to all market participants at the

same time when disclosed: the net asset value, the Proxy Basket, and the Fund Portfolio, and (iii) the issuer and any person acting on behalf of the series of Proxy Portfolio Shares will comply with Regulation Fair Disclosure under the Securities Exchange Act of 1934, including with respect to any Custom Basket.

(C) All Proxy Portfolio Shares shall have a stated investment objective, which shall be adhered to under Normal Market Conditions.

(2) Continued Listing. Each series of Proxy Portfolio Shares will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(A) Proxy Basket and Custom Basket. (i) The Proxy Basket will be publicly disseminated at least once daily and will be made available to all market participants at the same time. (ii) With respect to each Custom Basket utilized by a series of Proxy Portfolio Shares, each business day, before the opening of trading in the regular market session, the investment company shall make publicly available on its website the composition of any Custom Basket transacted on the previous business day, except a Custom Basket that differs from the applicable Proxy Basket only with respect to cash.

(B) Fund Portfolio. The Fund Portfolio will at a minimum be publicly disclosed within at least 60 days following the end of every fiscal quarter and will be made available to all market participants at the same time.

(C) Suspension of trading or removal. The Exchange will consider the suspension of trading in and will commence delisting proceedings for a series of Proxy Portfolio Shares pursuant to Rule 5800 under any of the following circumstances:

(i) if, following the initial twelve-month period after commencement of trading on the Exchange of a series of Proxy Portfolio Shares, there are fewer than 50 beneficial holders of the series of Proxy Portfolio Shares;

(ii) if either the Proxy Basket or Fund Portfolio is not made available to all market participants at the same time;

(iii) if the Investment Company issuing the Proxy Portfolio Shares has failed to file any filings required by the Commission or if the Exchange is aware that the Investment Company is not in compliance with the conditions of any exemptive order or no-action relief granted by the Commission or the Commission staff under the 1940 Act to the Investment Company with respect to the series of Proxy Portfolio Shares;

(iv) if any of the requirements set forth in this rule are not continuously maintained;

(v) if any of the applicable Continued Listing Representations for the issue of Proxy Portfolio Shares are not continuously met; or

(vi) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(D) Trading Halt.

(i) The Exchange may consider all relevant factors in exercising its discretion to halt trading in a series of Proxy Portfolio Shares. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the series of Proxy Portfolio Shares inadvisable. These may include: a. the extent to which trading is not occurring in the securities and/or the financial instruments composing the Proxy Basket or Fund Portfolio; or b. whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

(ii) If the Exchange becomes aware that one of the following is not being made available to all market participants at the same time: the net asset value, the Proxy Basket, or the Fund Portfolio with respect to a series of Proxy Portfolio Shares, then the Exchange will halt trading in such series until such time as the net asset value, the Proxy Basket, or the Fund Portfolio is available to all market participants, as applicable.

(E) Termination. Upon termination of an Investment Company, the Exchange requires that Proxy Portfolio Shares issued in connection with such entity be removed from listing on the Exchange.

(F) Voting. Voting rights shall be as set forth in the applicable Investment Company prospectus and/or statement of additional information.

(e) Limitation of Exchange Liability. Neither the Exchange, the Reporting Authority, when the Exchange is acting in the capacity of a Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current portfolio value; the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Proxy Portfolio Shares; the amount of any dividend equivalent payment or cash distribution to holders of Proxy Portfolio Shares; net asset value; or other information relating to the purchase, redemption, or trading of Proxy Portfolio Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority when the Exchange is acting in the capacity of a Reporting Authority, or any agent of the Exchange, or any act, condition, or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, when the Exchange is acting in the capacity of a Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission, or delay in the reports of transactions in one or more underlying securities.

5760. Managed Portfolio Shares

(a) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Managed Portfolio Shares that meet the criteria of this Rule.

(b) Applicability. This Rule is applicable only to Managed Portfolio Shares. Except to the extent inconsistent with this Rule, or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Managed Portfolio Shares are included within the definition of "security" or "securities" as such terms are used in the Rules of the Exchange.

(1) The Exchange will file separate proposals under Section 19(b) of the Securities Exchange Act of 1934 before the listing and trading of a series of Managed Portfolio Shares. All statements or representations contained in such rule filing regarding (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values and Verified Intraday Indicative Values (as applicable); or (d) the applicability of the Exchange listing rules specified in such proposals shall constitute continued listing standards.

(2) Transactions in Managed Portfolio Shares will occur throughout the Exchange's System Hours.

(3) Minimum Price Variance. The minimum price variation for quoting and entry of orders in Managed Portfolio Shares is \$0.01.

(4) Surveillance Procedures. The Exchange will implement and maintain written surveillance procedures for Managed Portfolio Shares. As part of these surveillance procedures, the Investment Company's investment adviser will upon request by the Exchange or FINRA, on behalf of the Exchange, make available to the Exchange or FINRA the daily portfolio holdings of each series of Managed Portfolio Shares.

(5) If the investment adviser to the Investment Company issuing Managed Portfolio Shares is registered as a broker-dealer or is affiliated with a broker-dealer, such investment adviser will erect and maintain a "fire wall" between the investment adviser and personnel of the broker-dealer or broker-dealer affiliate, as applicable, with respect to access to information concerning the composition of and/or changes to such Investment Company portfolio and/or the Creation Basket. Any person related to the investment adviser or Investment Company who makes decisions pertaining to the Investment Company's portfolio composition or has access to information regarding the Investment Company's portfolio composition or changes thereto or the Creation Basket must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Investment Company portfolio or changes thereto or the Creation Basket.

(6) Any person or entity, including an AP Representative, custodian, Reporting Authority, distributor, or administrator, who has access to information regarding the Investment Company's portfolio composition or changes thereto or the Creation Basket, must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Investment Company portfolio or changes thereto or

the Creation Basket. Moreover, if any such person or entity is registered as a broker-dealer or affiliated with a broker-dealer, such person or entity will erect and maintain a “fire wall” between the person or entity and the broker-dealer with respect to access to information concerning the composition and/or changes to such Investment Company portfolio or Creation Basket.

(c) Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

- (1) Managed Portfolio Share. The term "Managed Portfolio Share" means a security that (a) represents an interest in an investment company registered under the Investment Company Act of 1940 ("Investment Company") organized as an open-end management investment company, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a Creation Unit, or multiples thereof, in return for a designated portfolio of instruments (and/or an amount of cash) with a value equal to the next determined net asset value and delivered to the Authorized Participant (as defined in the Investment Company's Form N-1A filed with the SEC) through a Confidential Account; (c) when aggregated into a Redemption Unit, or multiples thereof, may be redeemed for a designated portfolio of instruments (and/or an amount of cash) with a value equal to the next determined net asset value delivered to the Confidential Account for the benefit of the Authorized Participant; and (d) the portfolio holdings for which are disclosed within at least 60 days following the end of every fiscal quarter.
- (2) Verified Intraday Indicative Value. The term "Verified Intraday Indicative Value" is the indicative value of a Managed Portfolio Share based on all of the holdings of a series of Managed Portfolio Shares as of the close of business on the prior business day and, for corporate actions, based on the applicable holdings as of the opening of business on the current business day, priced and disseminated in one second intervals during the Exchange's Market Hours by the Reporting Authority.
- (3) AP Representative. The term “AP Representative” means an unaffiliated broker-dealer, with which an Authorized Participant has signed an agreement to establish a Confidential Account for the benefit of such Authorized Participant, that will deliver or receive, on behalf of the Authorized Participant, all consideration to or from the Investment Company in a creation or redemption. An AP Representative will not be permitted to disclose the Creation Basket to any person, including the Authorized Participants.
- (4) Confidential Account. The term “Confidential Account” means an account owned by an Authorized Participant and held with an AP Representative on behalf of the Authorized Participant. The account will be established and governed by contractual agreement between the AP Representative and the Authorized Participant solely for the purposes of creation and redemption, while keeping confidential the Creation Basket constituents of each series of Managed Portfolio Shares, including from the Authorized Participant. The books and records of the Confidential Account will be maintained by the AP Representative on behalf of the Authorized Participant.

- (5) Creation Basket. The term “Creation Basket” means on any given business day the names and quantities of the specified instruments and/or an amount of cash that are required for an AP Representative to deposit in-kind on behalf of an Authorized Participant in exchange for a Creation Unit and the names and quantities of the specified instruments and/or an amount of cash that will be transferred in-kind to an AP Representative on behalf of an Authorized Participant in exchange for a Redemption Unit, which will be identical and will be transmitted to each AP Representative before the commencement of trading.
- (6) Creation Unit. The term “Creation Unit” means a specified minimum number of Managed Portfolio Shares issued by an Investment Company at the request of an Authorized Participant in return for a designated portfolio of instruments and/or cash.
- (7) Redemption Unit. The term “Redemption Unit” means a specified minimum number of Managed Portfolio Shares that may be redeemed to an Investment Company at the request of an Authorized Participant in return for a portfolio of instruments and/or cash.
- (8) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Managed Portfolio Shares means the Exchange, the exchange that lists a particular series of Managed Portfolio Shares (if the Exchange is trading such series pursuant to unlisted trading privileges), an institution, or a reporting service designated by the Investment Company as the official source for calculating and reporting information relating to such series, including, the net asset value, the Verified Intraday Indicative Value, or other information relating to the issuance, redemption or trading of Managed Portfolio Shares. A series of Managed Portfolio Shares may have more than one Reporting Authority, each having different functions.
- (9) Normal Market Conditions. The term "Normal Market Conditions" includes, but is not limited to, the absence of trading halts in the applicable financial markets generally; operational issues (e.g., systems failure) causing dissemination of inaccurate market information; or force majeure type events such as natural or manmade disaster, act of God, armed conflict, act of terrorism, riot or labor disruption or any similar intervening circumstance.
- (d) Initial and Continued Listing. Managed Portfolio Shares will be listed and traded on the Exchange subject to application of the following criteria:
- (1) Initial Listing. Each series of Managed Portfolio Shares will be listed and traded on the Exchange subject to application of the following initial listing criteria:
- (A) For each series, the Exchange will establish a minimum number of Managed Portfolio Shares required to be outstanding at the time of commencement of trading on the Exchange.
- (B) The Exchange will obtain a representation from the Investment Company that issues each series of Managed Portfolio Shares that the net asset value per share for the series

will be calculated daily and that the net asset value will be made available to all market participants at the same time.

(C) All Managed Portfolio Shares shall have a stated investment objective, which shall be adhered to under Normal Market Conditions.

(2) Continued Listing. Each series of Managed Portfolio Shares will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(A) Verified Intraday Indicative Value. The Verified Intraday Indicative Value for Managed Portfolio Shares will be widely disseminated by the Reporting Authority and/or by one or more major market data vendors in one second intervals during the Exchange's Market Hours, and will be disseminated to all market participants at the same time.

(B) Suspension of trading or removal. The Exchange will consider the suspension of trading in, and will commence delisting proceedings under the Rule 5800 Series, for a series of Managed Portfolio Shares, under any of the following circumstances:

(i) if, following the initial twelve-month period after commencement of trading on the Exchange of a series of Managed Portfolio Shares, there are fewer than 50 beneficial holders of the series of Managed Portfolio Shares for 30 or more consecutive trading days;

(ii) if the Exchange has halted trading in a series of Managed Portfolio Shares because the Verified Intraday Indicative Value is interrupted pursuant to Exchange Rule 5760(d)(2)(C)(ii) and such interruption persists past the trading day in which it occurred or is no longer available;

(iii) if the Exchange has halted trading in a series of Managed Portfolio Shares because the net asset value with respect to such series of Managed Portfolio Shares is not disseminated to all market participants at the same time, the holdings of such series of Managed Portfolio Shares are not made available on at least a quarterly basis as required under the 1940 Act, or such holdings are not made available to all market participants at the same time pursuant to Exchange Rule 5760(d)(2)(C)(ii) and such issue persists past the trading day in which it occurred;

(iv) if the Exchange has halted trading in a series of Managed Portfolio Shares pursuant to Exchange Rule 5760(d)(2)(C)(i), such issue persists past the trading day in which it occurred;

(v) if the Investment Company issuing the Managed Portfolio Shares has failed to file any filings required by the Commission or if the Exchange is aware that the Investment Company is not in compliance with the conditions of any currently applicable exemptive order or no-action relief granted by the Commission or Commission staff to the Investment Company with respect to the series of Managed Portfolio Shares;

(vi) if any of the continued listing requirements set forth in Exchange Rule 5760 are not continuously maintained;

(vii) if the series of Managed Portfolio Shares is not in compliance with any statements or representations included in the applicable rule proposal under Section 19(b) regarding: (a) the description of the portfolio or reference assets; (b) limitations on portfolio holdings or reference assets; (c) dissemination and availability of the reference asset or intraday indicative values and Verified Intraday Indicative Values; or (d) the applicability of the Exchange listing rules specified in such proposals; or

(viii) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

(C) Trading Halt.

(i) The Exchange may consider all relevant factors in exercising its discretion to halt trading in a series of Managed Portfolio Shares. Trading may be halted because of market conditions or for reasons that, in the view of the Exchange, make trading in the series of Managed Portfolio Shares inadvisable. These may include: (a) the extent to which trading is not occurring in the securities and/or the financial instruments composing the portfolio; or (b) whether other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

(ii) If the Exchange becomes aware that: (a) the Verified Intraday Indicative Value of a series of Managed Portfolio Shares is not being calculated or disseminated in one second intervals, as required; (b) the net asset value with respect to a series of Managed Portfolio Shares is not disseminated to all market participants at the same time; (c) the holdings of a series of Managed Portfolio Shares are not made available on at least a quarterly basis as required under the 1940 Act; or (d) such holdings are not made available to all market participants at the same time (except as otherwise permitted under the currently applicable exemptive order or no-action relief granted by the Commission or Commission staff to the Investment Company with respect to the series of Managed Portfolio Shares), it will halt trading in such series until such time as the Verified Intraday Indicative Value, the net asset value, or the holdings are available, as required.

(D) Termination. Upon termination of an Investment Company, the Exchange requires that Managed Portfolio Shares issued in connection with such entity be removed from Exchange listing.

(E) Voting. Voting rights shall be as set forth in the applicable Investment Company prospectus and/or statement of additional information.

(e) Limitation of Exchange Liability. Neither the Exchange, the Reporting Authority, when the Exchange is acting in the capacity of a Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or

delays in calculating or disseminating any current portfolio value; the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Managed Portfolio Shares; the Verified Intraday Indicative Value; the amount of any dividend equivalent payment or cash distribution to holders of Managed Portfolio Shares; net asset value; or other information relating to the purchase, redemption, or trading of Managed Portfolio Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority when the Exchange is acting in the capacity of a Reporting Authority, or any agent of the Exchange, or any act, condition, or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, when the Exchange is acting in the capacity of a Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission, or delay in the reports of transactions in one or more underlying securities.

(f) Disclosures. The provisions of this subparagraph apply only to series of Managed Portfolio Shares that are the subject of an order by the Commission exempting such series from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and are not otherwise subject to prospectus delivery requirements under the Securities Act of 1933. The Exchange will inform its Members regarding application of this subparagraph to a particular series of Managed Portfolio Shares by means of an information circular prior to commencement of trading in such series.

The Exchange requires that Members provide to all purchasers of a series of Managed Portfolio Shares a written description of the terms and characteristics of those securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include such a written description with any sales material relating to a series of Managed Portfolio Shares that is provided to customers or the public. Any other written materials provided by a Member to customers or the public making specific reference to a series of Managed Portfolio Shares as an investment vehicle must include a statement in substantially the following form: “A circular describing the terms and characteristics of (the series of Managed Portfolio Shares) has been prepared by the (open-end management investment company name) and is available from your broker. It is recommended that you obtain and review such circular before purchasing (the series of Managed Portfolio Shares).”

A Member carrying an omnibus account for a non-Member broker-dealer is required to inform such non-Member that execution of an order to purchase a series of Managed Portfolio Shares for such omnibus account will be deemed to constitute agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to Members under this rule.

Upon request of a customer, a Member shall also provide a prospectus for the particular series of Managed Portfolio Shares.

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Equity Rules

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EQUITY 3A RESERVED[OTHER LISTING RULES AND RULES REGARDING UNLISTED TRADING PRIVILEGES]**[Section 1. Operation of Listing Standards**

The Exchange listing standards are contained in the Rule 5000 Series. The provisions of Equity 3A that permit the listing of securities are maintained solely to permit the trading of securities that cannot be listed on the Exchange through unlisted trading privileges. These rules will not be operative to permit the listing of these securities unless and until the Exchange files a proposed rule change under Section 19(b) under the Act to adopt listing fees for these securities.

Section 2. Additional Quantitative Listing Criteria

In order to be listed on the Exchange, an issuer shall be required to meet the criteria set forth in the Rule 5000 Series or one or more of the paragraphs below. The Exchange may extend unlisted trading privileges to any security that is an NMS Stock (as defined in Rule 600 of Regulation NMS) that is listed on another national securities exchange. Any such security will be subject to all Exchange trading rules applicable to NMS Stocks, unless otherwise noted, including provisions of this Rule and Rule 4120, Equity 3A, Section 3, and Equity 10, Section 8.

(a) Reserved.

(b) Index Warrants

An index warrant may be listed if it substantially meets the following criteria:

- (1) The minimum public distribution shall be at least 1 million warrants.
- (2) The minimum number of public holders shall be at least 400.
- (3) The aggregate market value of the outstanding index warrants shall be at least \$4 million.
- (4) The issuer of the index warrants must have a minimum tangible net worth in excess of \$150 million.
- (5) The term of the index warrant shall be for a period from one to five years.
- (6) Limitations on Issuance — Where an issuer has a minimum tangible net worth in excess of \$150 million but less than \$250 million, the Exchange will not list stock index warrants of the issuer if the value of such warrants plus the aggregate value, based upon the original issuing price, of all outstanding stock index, currency index and currency warrants of the issuer and its affiliates combined that are listed for trading on the Exchange or another national securities exchange exceeds 25% of the issuer's net worth.

(7) A.M. Settlement — The terms of stock index warrants for which 25% or more of the value of the underlying index is represented by securities that are traded primarily in the United States must provide that the opening prices of the stocks comprising the index will be used to determine (i) the final settlement value (i.e., the settlement value for warrants that are exercised at expiration) and (ii) the settlement value for such warrants that are valued on either of the two business days preceding the day on which the final settlement value is to be determined.

(8) Automatic Exercise — All stock index warrants and any other cash-settled warrants must include in their terms provisions specifying (i) the time by which all exercise notices must be submitted and (ii) that all unexercised warrants that are in the money (or that are in the money by a stated amount) will be automatically exercised on their expiration date or on or promptly following the date on which such warrants are delisted by the Exchange (if such warrant issue has not been listed on another national securities exchange).

(9) Foreign Country Securities — In instances where the stock index underlying a warrant is comprised in whole or in part with securities traded outside the United States, the foreign country securities or American Depositary Receipts ("ADRs") thereon that (i) are not subject to a comprehensive surveillance agreement, and (ii) have less than 50% of their global trading volume in dollar value within the United States, shall not, in the aggregate represent more than 20% of the weight of the index, unless such index is otherwise approved for warrant or option trading.

(10) Changes in Number of Warrants Outstanding — Issuers of stock index warrants either will make arrangements with warrant transfer agents to advise the Exchange immediately of any change in the number of warrants outstanding due to the early exercise of such warrants or will provide this information themselves. With respect to stock index warrants for which 25% or more of the value of the underlying index is represented by securities traded primarily in the United States, such notice shall be filed with the Exchange no later than 4:30 p.m. Eastern Time, on the date when the settlement value for such warrants is determined. Such notice shall be filed in such form and manner as may be prescribed by the Exchange from time to time.

(11) Only eligible broad-based indexes can underlie index warrants. For purposes of this subparagraph, eligible broad-based indexes shall include those indexes approved by the Commission to underlie index warrants or index options traded on the Exchange or another national securities exchange.

Any index warrant listed pursuant to this paragraph shall not be required to meet the requirements of Equity 3A, Section 4. The Exchange may apply additional or more stringent criteria as necessary to protect investors and the public interest.

(c) Other Securities

(1) The Exchange will consider listing any security not otherwise covered by the Nasdaq Texas listing criteria, provided the instrument is otherwise suited to trade through the

facilities of the Exchange. Such securities will be evaluated for listing against the following criteria:

(A) The issuer shall have assets in excess of \$100 million and stockholders' equity of at least \$10 million. In the case of an issuer which is unable to satisfy the income criteria set forth in the Rule 5400 Series, the Exchange generally will require the issuer to have the following: (i) assets in excess of \$200 million and stockholders' equity of at least \$10 million; or (ii) assets in excess of \$100 million and stockholders' equity of at least \$20 million.

(B) There must be a minimum of 400 holders of the security, provided, however, that if the instrument is traded in \$1,000 denominations, there must be a minimum of 100 holders.

(C) For equity securities listed pursuant to this paragraph, there must be a minimum public distribution of 1,000,000 trading units.

(D) The aggregate market value/principal amount of the security shall be at least \$4 million.

(2) Issuers of securities listed pursuant to this paragraph (f) must also be eligible for listing on the Nasdaq Global Market or the New York Stock Exchange (NYSE) or be an affiliate of a company that is also eligible for listing on the Nasdaq Global Market or the NYSE; provided, however, that the provisions of Equity 3A, Section 4 will be applied to sovereign issuers of "other" securities on a case-by-case basis.

(3) Prior to the commencement of trading of securities listed pursuant to this paragraph, the Exchange will evaluate the nature and complexity of the issue and, if appropriate, distribute a circular to the membership providing guidance regarding member firm compliance responsibilities and requirements when handling transactions in such securities.

(d) The Exchange will consider listing Selected Equity-linked Debt Securities (SEEDS), pursuant to Rule 19b-4(e) under the Act, that generally meet the criteria of this paragraph. SEEDS are limited-term, non-convertible debt securities of an issuer where the value of the debt is based, at least in part, on the value of up to thirty (30) other issuers' common stock or non-convertible preferred stock (or sponsored American Depositary Receipts (ADRs) overlying such equity securities).

(1) Issuer Listing Standards

(A) The issuer of a SEEDS must be an entity that:

(i) is eligible for listing on the Nasdaq Global Market or the New York Stock Exchange (NYSE) or is an affiliate of a company eligible for listing on the Nasdaq Global Market or the NYSE; provided, however, that the provisions

of Equity 3A, Section 4 will be applied to sovereign issuers of SEEDS on a case-by-case basis; and

(ii) has a minimum net worth of \$150 million.

(B) In addition, the market value of a SEEDS offering, when combined with the market value of all other SEEDS offerings previously completed by the issuer and traded on the Exchange or another national securities exchange, may not be greater than 25 percent of the issuer's net worth at the time of issuance.

(2) Equity-Linked Debt Security Listing Standards

The issue must have:

(A) a minimum public distribution of one million SEEDS;

(B) a minimum of 400 holders of the SEEDS, provided, however, that if the SEEDS is traded in \$1,000 denominations, there is no minimum number of holders;

(C) a minimum market value of \$4 million; and

(D) a minimum term of one year.

(3) Minimum Standards Applicable to the Linked Security

An equity security on which the value of the SEEDS is based must:

(A)

(i) have a market value of listed securities of at least \$3 billion and a trading volume in the United States of at least 2.5 million shares in the one-year period preceding the listing of the SEEDS;

(ii) have a market value of listed securities of at least \$1.5 billion and a trading volume in the United States of at least 10 million shares in the one-year period preceding the listing of the SEEDS; or

(iii) have a market value of listed securities of at least \$500 million and a trading volume in the United States of at least 15 million shares in the one-year period preceding the listing of the SEEDS.

(B) be issued by a company that has a continuous reporting obligation under the Act, and the security must be listed on the Exchange or another national securities exchange and be subject to last sale reporting; and

(C) be issued by:

(i) a U.S. company; or

(ii) a non-U.S. company (including a company that is traded in the United States through sponsored ADRs) (for purposes of this paragraph (g), a non-U.S. company is any company formed or incorporated outside of the United States) if:

a. the Exchange or its subsidiaries has a comprehensive surveillance sharing agreement in place with the primary exchange in the country where the security is primarily traded (in the case of an ADR, the primary exchange on which the security underlying the ADR is traded);

b. the combined trading volume of the non-U.S. security (a security issued by a non-U.S. company) and other related non-U.S. securities occurring in the U.S. market and in markets with which the Exchange or its subsidiaries has in place a comprehensive surveillance sharing agreement represents (on a share equivalent basis for any ADRs) at least 50% of the combined world-wide trading volume in the non-U.S. security, other related non-U.S. securities, and other classes of common stock related to the non-U.S. security over the six month period preceding the date of listing; or

c.

1. the combined trading volume of the non-U.S. security and other related non-U.S. securities occurring in the U.S. market represents (on a share equivalent basis) at least 20% of the combined world-wide trading volume in the non-U.S. security and in other related non-U.S. securities over the six-month period preceding the date of selection of the non-U.S. security for a SEEDS listing.

2. the average daily trading volume for the non-U.S. security in the U.S. markets over the six-month period preceding the date of selection of the non-U.S. security for a SEEDS listing is 100,000 or more shares; and

3. the trading volume for the non-U.S. security in the U.S. market is at least 60,000 shares per day for a majority of the trading days for the six- month period preceding the date of selection of the non-U.S. security for a SEEDS listing.

d. If the underlying security to which the SEEDS is to be linked is the stock of a non-U.S. company which is traded in the U.S. market as a sponsored ADR, ordinary shares or otherwise, then the minimum number of holders of the underlying linked security shall be 2,000.

(4) Limits on the Number of SEEDS Linked to a Particular Security

(A) The issuance of SEEDS relating to any underlying U.S. security may not exceed five percent of the total outstanding shares of such underlying security. The issuance of SEEDS relating to any underlying non-U.S. security or sponsored ADR may not exceed: (i) two percent of the total shares outstanding worldwide if at least 30 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing;¹ (ii) three percent of the total shares outstanding worldwide if at least 50 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing; (iii) five percent of the total shares outstanding worldwide if at least 70 percent of the worldwide trading volume in such security occurs in the U.S. market during the six-month period preceding the date of listing.

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(B) If an issuer proposes to issue SEEDS that relate to more than the allowable percentages of the underlying security specified above, then the Exchange, with the concurrence of the staff of the Division of Trading and Markets of the Commission, will evaluate the maximum percentage of SEEDS that may be issued on a case-by-case basis.

(5) Prior to the commencement of trading of a particular SEEDS listed pursuant to this subsection, the Exchange or its subsidiaries will distribute a circular to the membership providing guidance regarding member firm compliance responsibilities (including suitability recommendations and account approval) when handling transactions in SEEDS.

(e) Portfolio Depository Receipts

(1) Definitions. The following terms shall, unless the context otherwise requires, have the meanings herein specified:

(A) Portfolio Depository Receipt. The term "Portfolio Depository Receipt" means a security:

(i) that is based on a unit investment trust ("Trust") which holds the securities which comprise an index or portfolio underlying a series of Portfolio Depository Receipts;

(ii) that is issued by the Trust in a specified aggregate minimum number in return for a "Portfolio Deposit" consisting of specified numbers of shares of stock and/or a cash amount, a specified portfolio of fixed income securities and/or a cash amount and/or a combination of the above;

(iii) that, when aggregated in the same specified minimum number, may be redeemed from the Trust which will pay to the redeeming holder the stock

and/or cash, fixed income securities and/or cash and/or a combination thereof then comprising the "Portfolio Deposit"; and

(iv) that pays holders a periodic cash payment corresponding to the regular cash dividends or distributions declared with respect to the component securities of the securities index or portfolio of securities underlying the Portfolio Depository Receipts, less certain expenses and other charges as set forth in the Trust prospectus.

(B) Reporting Authority. The term "Reporting Authority" in respect to a particular series of Portfolio Depository Receipts means the Exchange, an affiliate of the Exchange, an institution (including the Trustee for a series of Portfolio Depository Receipts), or a reporting service designated by the Exchange or its affiliate as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of securities required to be deposited to the Trust in connection with issuance of Portfolio Depository Receipts; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depository Receipts, net asset value, and other information relating to the creation, redemption or trading of Portfolio Depository Receipts.

Nothing in this paragraph shall imply that an institution or reporting service that is the source for calculating and reporting information relating to Portfolio Depository Receipts must be designated by the Exchange; the term "Reporting Authority" shall not refer to an institution or reporting service not so designated.

(C) US Component Stock. The term "US Component Stock" shall mean an equity security that is registered under Sections 12(b) or 12(g) of the Act, or an American Depository Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

(D) Non-US Component Stock. The term "Non-US Component Stock" shall mean an equity security that (a) is not registered under Sections 12(b) or 12(g) of the Act, (b) is issued by an entity that is not organized, domiciled or incorporated in the United States, and (c) is issued by an entity that is an operating company (including Real Estate Investment Trusts (REITs) and income trusts, but excluding investment trusts, unit trusts, mutual funds, and derivatives).

(2) The Exchange requires that members provide to all purchasers of a series of Portfolio Depository Receipts a written description of the terms and characteristics of such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, members shall include such a written description with any sales material relating to a series of Portfolio Depository Receipts that is provided to customers or the public. Any other written materials provided by a member to customers or the public making specific reference to a series of Portfolio Depository Receipts as an investment vehicle must include a statement in substantially the following

form: "A circular describing the terms and characteristics of [the series of Portfolio Depository Receipts] has been prepared by [Trust name] and is available from your broker or Nasdaq Texas. It is recommended that you obtain and review such circular before purchasing [the series of Portfolio Depository Receipts]. In addition, upon request you may obtain from your broker a prospectus for [the series of Portfolio Depository Receipts]."

A member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase a series of Portfolio Depository Receipts for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to members and member organizations under this rule.

Upon request of a customer, a member shall also provide a prospectus for the particular series of Portfolio Depository Receipts.

(3) Equity. The Exchange may approve a series of Portfolio Depository Receipts for listing and trading pursuant to Rule 19b-4(e) under the Act, provided each of the following criteria is satisfied:

(A) Eligibility Criteria for Index Components.

(i) US Index or Portfolio. Upon the initial listing of a series of Portfolio Depository Receipts pursuant to Rule 19b-4(e) under the Act, the component stocks of an index or portfolio of US Component Stocks underlying such series of Portfolio Depository Receipts shall meet the following criteria:

a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$75 million;

b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum monthly trading volume during each of the last six months of at least 250,000 shares;

c. The most heavily weighted component stock shall not exceed 30% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 65% of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 13 component stocks; and

e. All securities in the index or portfolio shall be US Component Stocks listed on the Exchange or another national securities exchange and shall

be NMS Stocks as defined in Rule 600 of Regulation NMS under the Act.

(ii) International or global index or portfolio. Upon the initial listing of a series of Portfolio Depository Receipts pursuant to Rule 19b-4(e) under the Act, the components of an index or portfolio underlying a series of Portfolio Depository Receipts that consist of either only Non-US Component Stocks or both US Component Stocks and Non-US Component Stocks shall meet the following criteria:

a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$100 million;

b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum worldwide monthly trading volume during each of the last six months of at least 250,000 shares;

c. The most heavily weighted component stock shall not exceed 25% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 60% of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 20 component stocks; and

e. Each US Component Stock shall be listed on a national securities exchange and shall be an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, and each Non-US Component Stock shall be listed and traded on an exchange that has last-sale reporting.

(iii) Index or portfolio approved in connection with derivative securities. Upon the initial listing of a series of Portfolio Depository Receipts pursuant to Rule 19b-4(e) under the Act, the index or portfolio underlying a series of Portfolio Depository Receipts shall have been reviewed and approved for trading of options, Portfolio Depository Receipts, Index Fund Shares, index-linked exchangeable notes, or index-linked securities by the Commission under Section 19(b)(2) of the Act and rules thereunder, and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements with respect to Non-US Component Stocks and the requirements regarding dissemination of information, continue to be satisfied. Each component stock of the index or portfolio shall be either

- a. a US Component Stock that is listed on a national securities exchange and is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, or
- b. a Non-US Component Stock that is listed and traded on an exchange that has last-sale reporting.

(B) Index Methodology and Calculation.

- (i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;
- (ii) The current index value for Portfolio Depository Receipts listed pursuant to:
 - a. Equity 3A, Section 2(e)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's regular market session.
 - b. Equity 3A, Section 2(e)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Exchange's regular market session; or
 - c. Equity 3A, Section 2(e)(3)(A)(iii) will be widely disseminated by one or more major market data vendors at least every 15 seconds with respect to indexes containing only US Component Stocks and at least every 60 seconds with respect to indexes containing Non-US Component Stocks, during the Exchange's regular market session.

If the index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of Non-US Component Stocks because of time zone differences or holidays in the countries where such indexes' component stocks trade), then the last official calculated index value must remain available throughout the Exchange's trading hours; and

- (iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index or portfolio composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(C) Disseminated Information. The Reporting Authority will disseminate for each series of Portfolio Depository Receipts an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value") during the Exchange's regular market session. The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value will be updated at least every 15 seconds during the Exchange's regular market session; to reflect changes in the exchange rate between the US dollar and the currency in which any component stock is denominated. If the Intraday Indicative Value does not change during some or all of the period when trading is occurring on the Exchange, then the last official calculated Intraday Indicative Value must remain available throughout the Exchange's trading hours.

(D) Initial Shares Outstanding. A minimum of 100,000 shares of a series of Portfolio Depository Receipts is required to be outstanding at start-up of trading.

(E) Surveillance Procedures. FINRA will implement written surveillance procedures for Portfolio Depository Receipts.

(F) Creation and redemption. For Portfolio Depository Receipts listed pursuant to Equity 3A, Section 2(e)(3)(A)(ii) or (iii) above, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Portfolio Depository Receipts must state that the Trust must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(4) Fixed Income. Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or subdivision thereof. The Exchange may approve a series of Portfolio Depository Receipts based on Fixed Income Securities for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 provided such portfolio or index: (i) has been reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Securities Exchange Act of 1934 and the rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) the following criteria are satisfied:

(A) Eligibility Criteria for Index Components. Upon the initial listing of a series of Portfolio Depository Receipts pursuant to Rule 19b-4(e) under the Securities

Exchange Act of 1934, each component of an index or portfolio that underlies a series of Portfolio Depositary Receipts shall meet the following criteria:

- (i) The index or portfolio must consist of Fixed Income Securities;
- (ii) Components that in aggregate account for at least 75% of the weight of the index or portfolio must have a minimum original principal amount outstanding of \$100 million or more;
- (iii) A component may be a convertible security, however, once the convertible security component converts to an underlying equity security, the component is removed from the index or portfolio;
- (iv) No component fixed-income security (excluding Treasury Securities) will represent more than 30% of the weight of the index or portfolio, and the five highest weighted component fixed-income securities do not in the aggregate account for more than 65% of the weight of the index or portfolio;
- (v) An underlying index or portfolio (excluding exempted securities) must include securities from a minimum of 13 non-affiliated issuers; and
- (vi) Component securities that in aggregate account for at least 90% of the weight of the index or portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Exchange Act; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds, debentures, or evidence of indebtedness having a total remaining principal amount of at least \$1 billion; (d) exempted securities as defined in section 3(a)(12) of the Securities Exchange Act of 1934; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.

(B) Index Methodology and Calculation.

- (i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;
- (ii) The current index value will be widely disseminated by one or more major market data vendors at least once per day; and
- (iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(5) The Exchange may approve a series of Portfolio Depositary Receipts based on a combination of indexes or an index or portfolio of component securities representing the U.S. equity market, the international equity market, and the fixed income market for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 provided: (i) each index has been reviewed and approved for the trading of options, Portfolio Depositary Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Securities Exchange Act of 1934 and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) each index or portfolio of equity and fixed income component securities separately meets either the criteria set forth in Equity 3A, Section 2(e)(3) or (4) above.

(A) Index Methodology and Calculation.

(i) If an index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;

(ii) The current composite index value will be widely disseminated by one or more major market data vendors at least once every 15 seconds during the regular market session, provided however, that (a) with respect to the Non-US Component Stocks of the combination index, the impact on the index is only required to be updated at least every 60 seconds during the regular market session, and (b) with respect to the fixed income components of the combination index the impact on the index is only required to be updated at least once each day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(6) The following provisions shall apply to all series of Portfolio Depositary Receipts listed pursuant Equity 3A, Section 2(e)(4) and (5) above:

(A) Disseminated Information. The Reporting Authority will disseminate for each series of Portfolio Depositary Receipts an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value"). The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value may be calculated by the Exchange or by an independent third party throughout the day using prices obtained from independent market data providers or other independent pricing sources such as a broker-dealer or price evaluation services.

(B) Initial Shares Outstanding. A minimum of 100,000 shares of a series of Portfolio Depository Receipts is required to be outstanding at start-up of trading.

(C) Surveillance Procedures. FINRA will implement written surveillance procedures for Portfolio Depository Receipts.

(7) Regular market session trading will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Portfolio Depository Receipts, as specified by the Exchange. In addition, the Exchange may designate each series of Portfolio Depository Receipts for trading during a pre-market session beginning at 7:00 a.m. and/or a post-market session ending at 7:00 p.m.

(8) The Exchange may list and trade Portfolio Depository Receipts based on one or more indexes or portfolios. The Portfolio Depository Receipts based on each particular index or portfolio, or combination thereof, shall be designated as a separate series and shall be identified by a unique symbol. The components of an index or portfolio on which Portfolio Depository Receipts are based shall be selected by the Exchange or its agent, an affiliate of the Exchange, or by such other person as shall have a proprietary interest in and authorized use of such index or portfolio, and may be revised from time to time as may be deemed necessary or appropriate to maintain the quality and character of the index or portfolio.

(9) A Trust upon which a series of Portfolio Depository Receipts is based will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing —

(i) for each Trust, the Exchange will establish a minimum number of Portfolio Depository Receipts required to be outstanding at the time of commencement of trading on the Exchange.

(ii) the Exchange will obtain a representation from the issuer of each series of Portfolio Depository Receipts that the net asset value per share for the series will be calculated daily and will be made available to all market participants at the same time.

(B) Continued Listing —

(i) The Exchange will consider the suspension of trading in or removal from listing of a Trust upon which a series of Portfolio Depository Receipts is based under any of the following circumstances:

a. if, following the initial twelve month period after the formation of a Trust and commencement of trading on the Exchange, the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Portfolio Depository Receipts for 30 or more consecutive trading days;

b. if the value of the index or portfolio of securities on which the Trust is based is no longer calculated or available or the index or portfolio on which the Trust is based is replaced with a new index or portfolio, unless the new index or portfolio meets the requirements of this Rule for listing either pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 (including the filing of a Form 19b-4(e) with the Commission) or by Commission approval of a filing pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934; or

c. if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Portfolio Depository Receipts issued in connection with such Trust be removed from listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(C) Term — the stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) Voting — voting rights shall be as set forth in the Trust prospectus. The Trustee of a Trust may have the right to vote all of the voting securities of such Trust.

(10) Neither the Exchange, the Reporting Authority nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value, the current value of the portfolio of securities required to be deposited to the Trust; the amount of any dividend equivalent payment or cash distribution to holders of Portfolio Depository Receipts; net asset value; or other information relating to the creation, redemption or trading of Portfolio Depository Receipts, resulting from any negligent act or omission by the Exchange, the Reporting Authority, or any agent of the Exchange or any act, condition or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in one or more underlying securities.

(f) Index Fund Shares

(1) Definitions. The following terms shall, unless the context otherwise requires, have the meanings herein specified:

(A) Index Fund Share. The term "Index Fund Share" means a security:

(i) that is issued by an open-end management investment company based on a portfolio of stocks or fixed income securities or a combination thereof, that seeks to provide investment results that correspond generally to the price and yield performance or total return performance of a specified foreign or domestic stock index, fixed income securities index or combination thereof;

(ii) that is issued by such an open-end management investment company in a specified aggregate minimum number in return for a deposit of specified numbers of shares of stock and/or a cash amount, a specified portfolio of fixed income securities and/or a cash amount and/or a combination of the above, with a value equal to the next determined net asset value; and

(iii) that, when aggregated in the same specified minimum number, may be redeemed at a holder's request by such open-end investment company which will pay to the redeeming holder the stock and/or cash, fixed income securities and/or cash and/or a combination thereof, with a value equal to the next determined net asset value.

(B)

(i) The term "Index Fund Share" includes a security issued by an open-end management investment company that seeks to provide investment results that either exceed the performance of a specified domestic equity, international or global equity, or fixed income index or a combination thereof by a specified multiple or that correspond to the inverse (opposite) of the performance of a specified domestic equity, international or global equity, or fixed income index or a combination thereof by a specified multiple. Such a security is issued in a specified aggregate number in return for a deposit of a specified number of shares of stock, a specified portfolio of fixed income securities or a combination of the above and/or cash with a value equal to the next determined net asset value. When aggregated in the same specified minimum number, Index Fund Shares may be redeemed at a holder's request by such open-end investment company which will pay to the redeeming holder the stock, fixed income securities or a combination thereof and/or cash with a value equal to the next determined net asset value.

(ii) In order to achieve the investment result that it seeks to provide, such an investment company may hold a combination of financial instruments, including, but not limited to, stock index futures contracts; options on futures contracts; options on securities and indices; equity caps, collars and floors; swap agreements; forward contracts; repurchase agreements and reverse repurchase agreements (the "Financial Instruments"), but only to the extent and in the amounts or percentages as set forth in the registration statement for such Index Fund Shares.

(iii) Any open-end management investment company which issues Index Fund Shares referenced in this subparagraph (1)(B) that seeks to provide investment results, before fees and expenses, in an amount that exceeds - 200% of the percentage performance on a given day of a particular domestic equity, international or global equity or fixed income securities index or a combination thereof shall not be approved by the Exchange for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934.

(iv) For the initial and continued listing of a series of Index Fund Shares referenced in the provisions of this subparagraph (1)(B), the following requirements must be adhered to:

Daily public website disclosure of portfolio holdings that will form the basis for the calculation of the net asset value by the issuer of such series, including, as applicable, the following instruments:

- a. The identity and number of shares held of each specific equity security;
- b. The identity and amount held for each specific fixed income security;
- c. The specific types of Financial Instruments and characteristics of such Financial Instruments; and
- d. Cash equivalents and the amount of cash held in the portfolio.

If the Exchange becomes aware that the net asset value related to Index Fund Shares included in the provisions of this subparagraph (1)(B) is not being disseminated to all market participants at the same time or the daily public website disclosure of portfolio holdings does not occur, the Exchange shall halt trading in such series of Index Fund Share, as appropriate. The Exchange may resume trading in such Index Fund Shares only when the net asset value is disseminated to all market participants at the same time or the daily public website disclosure of portfolio holdings occurs, as appropriate.

(C) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Index Fund Shares means the Exchange, an affiliate of the Exchange, or an institution or reporting service designated by the Exchange or its affiliate as the official source for calculating and reporting information relating to such series, including, but not limited to, any current index or portfolio value; the current value of the portfolio of any securities required to be deposited in connection with issuance of Index Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Index Fund Shares, net asset value, and other information relating to the issuance, redemption or trading of Index Fund Shares.

Nothing in this paragraph shall imply that an institution or reporting service that is the source for calculating and reporting information relating to Index Fund Shares must be designated by the Exchange; the term "Reporting Authority" shall not refer to an institution or reporting service not so designated.

(D) US Component Stock. The term "US Component Stock" shall mean an equity security that is registered under Sections 12(b) or 12(g) of the Act, or an American Depository Receipt, the underlying equity security of which is registered under Sections 12(b) or 12(g) of the Act.

(E) Non-US Component Stock. The term "Non-US Component Stock" shall mean an equity security that (a) is not registered under Sections 12(b) or 12(g) of the Act, (b) is issued by an entity that is not organized, domiciled or incorporated in the United States, and (c) is issued by an entity that is an operating company (including Real Estate Investment Trusts (REITs) and income trusts, but excluding investment trusts, unit trusts, mutual funds, and derivatives).

(2) The Exchange requires that members provide to all purchasers of a series of Index Fund Shares a written description of the terms and characteristics of such securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, members shall include such a written description with any sales material relating to a series of Index Fund Shares that is provided to customers or the public. Any other written materials provided by a member to customers or the public making specific reference to a series of Index Fund Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of [the series of Index Fund Shares] has been prepared by the [open-end management investment company name] and is available from your broker or Nasdaq Texas. It is recommended that you obtain and review such circular before purchasing [the series of Index Fund Shares]. In addition, upon request you may obtain from your broker a prospectus for [the series of Index Fund Shares]."

A member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase a series of Index Fund Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to members and member organizations under this rule.

Upon request of a customer, a member shall also provide a prospectus for the particular series of Index Fund Shares.

(3) Equity. The Exchange may approve a series of Index Fund Shares for listing and trading pursuant to Rule 19b-4(e) under the Act provided each of the following criteria is satisfied:

(A) Eligibility Criteria for Index Components.

(i) US Index or Portfolio. Upon the initial listing of a series of Index Fund Shares pursuant to 19b-4(e) under the Act, the component stocks of an index or portfolio of US Component Stocks underlying a series of Index Fund Shares shall meet the following criteria:

- a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$75 million;
- b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum monthly trading volume during each of the last six months of at least 250,000 shares;
- c. The most heavily weighted component stock shall not exceed 30% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 65% of the weight of the index or portfolio;
- d. The index or portfolio shall include a minimum of 13 component stocks; and
- e. All securities in the index or portfolio shall be US Component Stocks listed on the Exchange or another national securities exchange and shall be NMS Stocks as defined in Rule 600 of Regulation NMS under the Act.

(ii) International or global index or portfolio. Upon the initial listing of a series of Index Fund Shares pursuant to Rule 19b-4(e) under the Act, the components of an index or portfolio underlying a series of Index Fund Shares that consist of either only Non-US Component Stocks or both US Component Stocks and Non-US Component Stocks shall meet the following criteria:

- a. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum market value of at least \$100 million;
- b. Component stocks that in the aggregate account for at least 90% of the weight of the index or portfolio each shall have a minimum worldwide monthly trading volume during each of the last six months of at least 250,000 shares;
- c. The most heavily weighted component stock shall not exceed 25% of the weight of the index or portfolio, and the five most heavily weighted component stocks shall not exceed 60% of the weight of the index or portfolio;

d. The index or portfolio shall include a minimum of 20 component stocks; and

e. Each US Component Stock shall be listed on a national securities exchange and shall be an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, and each Non-US Component Stock shall be listed and traded on an exchange that has last-sale reporting.

(iii) Index or portfolio approved in connection with derivative securities. Upon the initial listing of a series of Index Fund Shares pursuant to Rule 19b-4(e) under the Act, the index or portfolio underlying a series of Index Fund Shares shall have been reviewed and approved for trading of options, Portfolio Depository Receipts, Index Fund Shares, index-linked exchangeable notes, or index-linked securities by the Commission under Section 19(b)(2) of the Act and rules thereunder, and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements with respect to Non-US Component Stocks and the requirements regarding dissemination of information, continue to be satisfied. Each component stock of the index or portfolio shall be either

a. a US Component Stock that is listed on a national securities exchange and is an NMS Stock as defined in Rule 600 of Regulation NMS under the Act, or

b. a Non-US Component Stock that is listed and traded on an exchange that has last-sale reporting.

(B) Index Methodology and Calculation

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer or fund advisor;

(ii) The current index value for Index Fund Shares listed pursuant to:

a. Equity 3A, Section 2(f)(3)(A)(i) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's regular market session;

b. Equity 3A, Section 2(f)(3)(A)(ii) will be widely disseminated by one or more major market data vendors at least every 60 seconds during the Exchange's regular market session; or

c. Equity 3A, Section 2(f)(3)(A)(iii) will be widely disseminated by one or more major market data vendors at least every 15 seconds with respect to indexes containing only US Component Stocks and at least every 60 seconds with respect to indexes containing Non-US Component Stocks, during the Exchange's regular market session

If the index value does not change during some or all of the period when trading is occurring on the Exchange (for example, for indexes of Non-US Component Stocks because of time zone differences or holidays in the countries where such indexes' component stocks trade), then the last official calculated index value must remain available throughout the Exchange's trading hours; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index or portfolio composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(C) Disseminated Information. The Reporting Authority will disseminate for each series of Index Fund Shares an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value") during the Exchange's regular market session. The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value will be updated at least every 15 seconds during the Exchange's regular market session; to reflect changes in the exchange rate between the US dollar and the currency in which any component stock is denominated. If the Intraday Indicative Value does not change during some or all of the period when trading is occurring on the Exchange, then the last official calculated Intraday Indicative Value must remain available throughout the Exchange's trading hours.

(D) Initial Shares Outstanding. A minimum of 100,000 shares of a series of Index Fund Shares is required to be outstanding at start-up of trading.

(E) Surveillance Procedures. FINRA will implement written surveillance procedures for Index Fund Shares.

(F) Creation and redemption. For Index Fund Shares listed pursuant to Equity 3A, Section 2(f)(3)(A)(ii) or (iii) above, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Index Fund Shares must state that the series of Index Fund Shares must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in

transactions that would be exempt from registration under the Securities Act of 1933.

(4) Fixed Income. Fixed Income Securities are debt securities that are notes, bonds, debentures or evidence of indebtedness that include, but are not limited to, U.S. Department of Treasury securities ("Treasury Securities"), government-sponsored entity securities ("GSE Securities"), municipal securities, trust preferred securities, supranational debt and debt of a foreign country or subdivision thereof. The Exchange may approve a series of Index Fund Shares based on Fixed Income Securities for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 provided such portfolio or index: (i) has been reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Securities Exchange Act of 1934 and the rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) the following criteria are satisfied:

(A) Eligibility Criteria for Index Components. Upon the initial listing of Index Fund Shares pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934, each component of an index or portfolio that underlies a series of Index Fund Shares shall meet the following criteria:

- (i) The index or portfolio must consist of Fixed Income Securities;
- (ii) Components that in aggregate account for at least 75% of the weight of the index or portfolio must have a minimum original principal amount outstanding of \$100 million or more;
- (iii) A component may be a convertible security, however, once the convertible security component converts to an underlying equity security, the component is removed from the index or portfolio;
- (iv) No component fixed-income security (excluding Treasury Securities) will represent more than 30% of the weight of the index or portfolio, and the five highest weighted component fixed-income securities do not in the aggregate account for more than 65% of the weight of the index or portfolio;
- (v) An underlying index or portfolio (excluding exempted securities) must include securities from a minimum of 13 non-affiliated issuers; and
- (vi) Component securities that in aggregate account for at least 90% of the weight of the index or portfolio must be either: (a) from issuers that are required to file reports pursuant to Sections 13 and 15(d) of the Exchange Act; (b) from issuers that have a worldwide market value of its outstanding common equity held by non-affiliates of \$700 million or more; (c) from issuers that have outstanding securities that are notes, bonds, debentures, or evidence of indebtedness having a total remaining principal amount of at least

\$1 billion; (d) exempted securities as defined in section 3(a)(12) of the Securities Exchange Act of 1934; or (e) from issuers that are a government of a foreign country or a political subdivision of a foreign country.

(B) Index Methodology and Calculation.

(i) If the index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;

(ii) The current index value will be widely disseminated by one or more major market data vendors at least once per day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on the index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(5) The Exchange may approve a series of Index Fund Shares based on a combination of indexes or an index or portfolio of component securities representing the U.S. equity market, the international equity market, and the fixed income market for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 provided: (i) such portfolio or combination of indexes has been reviewed and approved for the trading of options, Portfolio Depository Receipts, Index Fund Shares, Index-Linked Exchangeable Notes or Index-Linked Securities by the Commission under Section 19(b)(2) of the Securities Exchange Act of 1934 and rules thereunder and the conditions set forth in the Commission's approval order continue to be satisfied; or (ii) each index or portfolio of equity and fixed income component securities separately meets either the criteria set forth in Equity 3A, Section 2(f)(3) or (4) above.

(A) Index Methodology and Calculation.

(i) If an index is maintained by a broker-dealer or fund advisor, the broker-dealer or fund advisor shall erect a "fire wall" around the personnel who have access to information concerning changes and adjustments to the index;

(ii) The current composite index value will be widely disseminated by one or more major market data vendors at least once every 15 seconds during regular market session, provided however, that (a) with respect to the Non-US Component Stocks of the combination index, the impact on the index is only required to be updated at least every 60 seconds during the regular market session, and (b) with respect to the fixed income components of the combination index the impact on the index is only required to be updated at least once each day; and

(iii) Any advisory committee, supervisory board, or similar entity that advises a Reporting Authority or that makes decisions on index composition, methodology and related matters, must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the applicable index.

(6) The following provisions shall apply to all series of Index Fund Shares listed pursuant Equity 3A, Section 2(f)(4) and (5) above:

(A) Disseminated Information. The Reporting Authority will disseminate for each series of Index Fund Shares an estimate, updated at least every 15 seconds, of the value of a share of each series (the "Intraday Indicative Value"). The Intraday Indicative Value may be based, for example, upon current information regarding the required deposit of securities and cash amount to permit creation of new shares of the series or upon the index value. The Intraday Indicative Value may be calculated by the Exchange or by an independent third party throughout the day using prices obtained from independent market data providers or other independent pricing sources such as a broker-dealer or price evaluation services.

(B) Initial Shares Outstanding. A minimum of 100,000 shares of a series of Index Fund Shares is required to be outstanding at start-up of trading.

(C) Surveillance Procedures. FINRA will implement written surveillance procedures for Index Fund Shares.

(7) Regular market session trading will occur between 9:30 a.m. and either 4:00 p.m. or 4:15 p.m. for each series of Index Fund Shares, as specified by the Exchange. In addition, the Exchange may designate each series of Index Fund Shares for trading during a pre-market session beginning at 7:00 a.m. and/or a post-market session ending at 7:00 p.m.

(8) The Exchange may list and trade Index Fund Shares based on one or more foreign or domestic indexes or portfolios. Each issue of Index Fund Shares based on each particular index or portfolio, or combination thereof, shall be designated as a separate series and shall be identified by a unique symbol. The components that are included in an index or portfolio on which a series of Index Fund Shares are based shall be selected by such person, which may be the Exchange or an agent or wholly-owned subsidiary thereof, as shall have authorized use of such index or portfolio. Such index or portfolio may be revised from time to time as may be deemed necessary or appropriate to maintain the quality and character of the index or portfolio.

(9) Each series of Index Fund Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing —

(i) for each series, the Exchange will establish a minimum number of Index Fund Shares required to be outstanding at the time of commencement of trading on the Exchange.

(ii) The Exchange will obtain a representation from the issuer of each series of Index Fund Shares that the net asset value per share for the series will be calculated daily and will be made available to all market participants at the same time.

(B) Continued Listing —

(i) The Exchange will consider the suspension of trading in or removal from listing of a series of Index Fund Shares under any of the following circumstances:

a. if, following the initial twelve month period after commencement of trading on the Exchange of a series of Index Fund Shares, there are fewer than 50 beneficial holders of the series of Index Fund Shares for 30 or more consecutive trading days;

b. if the value of the index or portfolio of securities on which the series of Index Fund Shares is based is no longer calculated or available or the index or portfolio on which the series of Index Fund Shares is based is replaced with a new index or portfolio, unless the new index or portfolio meets the requirements of this Equity 3A, Section 2(f) for listing either pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934 (including the filing of a Form 19b-4(e) with the Commission) or by Commission approval of a filing pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934; or

c. if such other event shall occur or condition exists which in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of an open-end management investment company, the Exchange requires that Index Fund Shares issued in connection with such entity be removed from listing.

(C) Voting — voting rights shall be as set forth in the applicable open-end management investment company prospectus.

(10) Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current index or portfolio value, the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Index Fund Shares; the amount of any

dividend equivalent payment or cash distribution to holders of Index Fund Shares; net asset value; or other information relating to the purchase, redemption or trading of Index Fund Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition or cause beyond the reasonable control of the Exchange, its agent, or the Reporting Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission or delay in the reports of transactions in one or more underlying securities.

(g) Trust Issued Receipts

(1) Definition. The term "**Trust Issued Receipt**" means a security (a) that is issued by a trust ("Trust") which holds specified securities deposited with the Trust; (b) that, when aggregated in some specified minimum number, may be surrendered to the trust by the beneficial owner to receive the securities; and (c) that pays beneficial owners dividends and other distributions on the deposited securities, if any are declared and paid to the trustee by an issuer of the deposited securities.

(2) The Exchange requires that members provide to all purchasers of newly issued Trust Issued Receipts a prospectus for the series of Trust Issued Receipts.

(3) The eligibility requirements for component securities that are represented by a series of Trust Issued Receipts and that became part of the Trust Issued Receipt when the security was either: (a) distributed by a company already included as a component security in the series of Trust Issued Receipts; or (b) received in exchange for the securities of a company previously included as a component security that is no longer outstanding due to a merger, consolidation, corporate combination or other event, shall be as follows:

(A) the component security must be listed on the Exchange or another national securities exchange;

(B) the component security must be registered under Section 12 of the Act; and

(C) the component security must have a Standard & Poor's Sector Classification that is the same as the Standard & Poor's Sector Classification represented by the component securities included in the Trust Issued Receipt at the time of the distribution or exchange.

(4) Transactions in Trust Issued Receipts may be effected until 4:00 p.m. each business day.

(5) The Exchange may list and trade Trust Issued Receipts based on one or more securities. The Trust Issued Receipts based on particular securities shall be designated as a separate series and shall be identified by a unique symbol. The securities that are included in a series of Trust Issued Receipts shall be selected by the Exchange or its agent, an

affiliate of the Exchange, or by such other person as shall have a proprietary interest in such Trust Issued Receipts.

(6) Trust Issued Receipts will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing — for each Trust, the Exchange will establish a minimum number of Trust Issued Receipts required to be outstanding at the time of the commencement of trading on the Exchange.

(B) Continued Listing — following the initial twelve month period following formation of a Trust and commencement of trading on the Exchange, the Exchange will consider the suspension of trading in or removal from listing of a Trust upon which a series of Trust Issued Receipts is based under any of the following circumstances:

(i) if the Trust has more than 60 days remaining until termination and there are fewer than 50 record and/or beneficial holders of Trust Issued Receipts for 30 or more consecutive trading days;

(ii) if the Trust has fewer than 50,000 receipts issued and outstanding;

(iii) if the market value of all receipts issued and outstanding is less than \$1 million; or

(iv) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on the Exchange inadvisable.

Upon termination of a Trust, the Exchange requires that Trust Issued Receipts issued in connection with such Trust be removed from listing. A Trust may terminate in accordance with the provisions of the Trust prospectus, which may provide for termination if the value of securities in the Trust falls below a specified amount.

(C) Term — the stated term of the Trust shall be as stated in the Trust prospectus. However, a Trust may be terminated under such earlier circumstances as may be specified in the Trust prospectus.

(D) Trustee — the following requirements apply:

(i) the trustee of a Trust must be a trust company or banking institution having substantial capital and surplus and the experience and facilities for handling corporate trust business. In cases where, for any reason, an individual has been appointed as trustee, a qualified trust company or banking institution must be appointed co-trustee.

(ii) no change is to be made in the trustee of a listed issue without prior notice to and approval of the Exchange.

(E) Voting — voting rights shall be as set forth in the Trust prospectus.

(7) Unit of Trading — transactions in Trust Issued Receipts may only be made in round lots of 100 receipts or round lot multiples.

(8) The Exchange may approve a series of Trust Issued Receipts for listing and trading on the Exchange pursuant to Rule 19b-4(e) under the Act, provided each of the component securities satisfies the following criteria:

(A) each component security must be registered under Section 12 of the Act;

(B) each component security must have a minimum public float of at least \$150 million;

(C) each component security must be listed on the Exchange or another national securities exchange;

(D) each component security must have an average daily trading volume of at least 100,000 shares during the preceding sixty-day trading period;

(E) each component security must have an average daily dollar value of shares traded during the preceding sixty-day trading period of at least \$1 million; and

(F) the most heavily weighted component security may not initially represent more than 20% of the overall value of the Trust Issued Receipt.

(h) Securities Linked to the Performance of Indexes and Commodities (Including Currencies)

The Exchange will consider for listing and trading equity index-linked securities ("Equity Index-Linked Securities") and commodity-linked securities ("Commodity-Linked Securities" and, together with Equity Index-Linked Securities, "Linked Securities") that in each case meet the applicable criteria of this Rule. Equity Index-Linked Securities are securities that provide for the payment at maturity of a cash amount based on the performance of an underlying equity index or indexes. The payment at maturity with respect to Commodity-Linked Securities is based on one or more physical Commodities or Commodity futures, options or other Commodity derivatives, Commodity-Related Securities, or a basket or index of any of the foregoing (any such basis for payment is referred to below as the "Reference Asset"). The terms "Commodity" and "Commodity-Related Security" are defined in Equity 10, Section 8.

Linked Securities may or may not provide for the repayment of the original principal investment amount. The Exchange may submit a rule filing pursuant to Section 19(b)(2) of the Securities Exchange Act of 1934 to permit the listing and trading of Linked Securities that do not otherwise

meet the standards set forth below in paragraphs (1) through (12). The Exchange will consider Linked Securities for listing and trading pursuant to Rule 19b-4(e) under the Securities Exchange Act of 1934, provided:

- (1) Both the issue and the issuer of such security meet the criteria for other securities set forth in paragraph (f) of this rule, except that if the security is traded in \$1,000 denominations or is redeemable at the option of holders thereof on at least a weekly basis, then no minimum number of holders and no minimum public distribution of trading units shall be required.
- (2) The issue has a term of not less than one (1) year and not greater than thirty (30) years.
- (3) The issue must be the non-convertible debt of the issuer.
- (4) The payment at maturity may or may not provide for a multiple of the direct or inverse performance of an underlying index, indexes or Reference Asset; however, in no event will a loss (negative payment) at maturity be accelerated by a multiple that exceeds twice the performance of an underlying index, indexes or Reference Asset.
- (5) The issuer will be expected to have a minimum tangible net worth in excess of \$250,000,000 and to exceed by at least 20% the earnings requirements set forth in Rule 5405(b). In the alternative, the issuer will be expected: (i) to have a minimum tangible net worth of \$150,000,000 and to exceed by at least 20% the earnings requirement set forth in Rule 5405(b), and (ii) not to have issued securities where the original issue price of all the issuer's other index-linked note offerings (combined with index-linked note offerings of the issuer's affiliates) listed on a national securities exchange exceeds 25% of the issuer's net worth.
- (6) The issuer is in compliance with Rule 10A-3 under the Securities Exchange Act of 1934.
- (7) Equity Index Criteria—In the case of an Equity Index-Linked Security, each underlying index is required to have at least ten (10) component securities. In addition, the index or indexes to which the security is linked shall either
 - (A) have been reviewed and approved for the trading of options or other derivatives by the Commission under Section 19(b)(2) of the 1934 Act and rules thereunder and the conditions set forth in the Commission's approval order, including comprehensive surveillance sharing agreements for non-U.S. stocks, continue to be satisfied, or
 - (B) the index or indexes meet the following criteria:
 - (i) Each component security has a minimum market value of at least \$75 million, except that for each of the lowest weighted component securities in

the index that in the aggregate account for no more than 10% of the weight of the index, the market value can be at least \$50 million;

(ii) Each component security shall have trading volume in each of the last six months of not less than 1,000,000 shares, except that for each of the lowest weighted component securities in the index that in the aggregate account for no more than 10% of the weight of the index, the trading volume shall be at least 500,000 shares in each of the last six months;

(iii) Indexes based upon the equal-dollar or modified equal-dollar weighting method will be rebalanced at least semiannually;

(iv) In the case of a capitalization-weighted or modified capitalization-weighted index, the lesser of the five highest weighted component securities in the index or the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of component securities in the index, each have an average monthly trading volume of at least 2,000,000 shares over the previous six months;

(v) No underlying component security will represent more than 25% of the weight of the index, and the five highest weighted component securities in the index do not in the aggregate account for more than 50% of the weight of the index (60% for an index consisting of fewer than 25 component securities);

(vi) 90% of the index's numerical value and at least 80% of the total number of component securities will meet the then current criteria for standardized option trading on a national securities exchange or a national securities association, provided, however, that an index will not be subject to this requirement if (a) no underlying component security represents more than 10% of the dollar weight of the index and (b) the index has a minimum of 20 components;

(vii) All component securities shall be either (A) securities (other than securities of a foreign issuer and American Depositary Receipts ("ADRs")) that are (i) issued by a 1934 Act reporting company or by an investment company registered under the Investment Company Act of 1940 that, in each case, has securities listed on a national securities exchange and (ii) an "NMS stock" (as defined in Rule 600 of SEC Regulation NMS) or (B) securities of a foreign issuer or ADRs, provided that securities of a foreign issuer (including when they underlie ADRs) whose primary trading market outside the United States is not a member of the Intermarket Surveillance Group ("ISG") or a party to a comprehensive surveillance sharing agreement with the Exchange will not in the aggregate represent more than 20% of the dollar weight of the index.

(8) Reference Asset Criteria—In the case of a Commodity-Linked Security, the Reference Asset shall meet the criteria in either subparagraph (A) or subparagraph (B) below:

(A) The Reference Asset to which the security is linked shall have been reviewed and approved for the trading of Commodity-Related Securities or options or other derivatives by the Commission under Section 19(b)(2) of the 1934 Act and rules thereunder and the conditions set forth in the Commission's approval order, including with respect to comprehensive surveillance sharing agreements, continue to be satisfied.

(B) The pricing information for each component of a Reference Asset other than a Currency must be derived from a market which is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement. Notwithstanding the previous sentence, pricing information for gold and silver may be derived from the London Bullion Market Association. The pricing information for each component of a Reference Asset that is a Currency must be either (1) the generally accepted spot price for the currency exchange rate in question or (2) derived from a market which (x) is an ISG member or affiliate or with which the Exchange has a comprehensive surveillance sharing agreement and (y) is the pricing source for a currency component of a Reference Asset that has previously been approved by the Commission. A Reference Asset may include components representing not more than 10% of the dollar weight of such Reference Asset for which the pricing information is derived from markets that do not meet the requirements of this subparagraph (B), provided, however, that no single component subject to this exception exceeds 7% of the dollar weight of the Reference Asset. The term "Currency," as used in this subparagraph, shall mean one or more currencies, or currency options, futures, or other currency derivatives, Commodity-Related Securities if their underlying Commodities are currencies or currency derivatives, or a basket or index of any of the foregoing.

(9) Maintenance and Dissemination—(i) If the index is maintained by a broker-dealer, the broker-dealer shall erect a "firewall" around the personnel who have access to information concerning changes and adjustments to the index and the index shall be calculated by a third party who is not a broker-dealer. (ii) Unless the Commission order applicable under clause 7(A) or 8(A) hereof provides otherwise, the current value of the index or the Reference Asset (as applicable) will be widely disseminated at least every 15 seconds during the Exchange's regular market session, except as provided in the next clause (iii). (iii) The values of the following indexes need not be calculated and widely disseminated at least every 15 seconds if, after the close of trading, the indicative value of the Equity Index-Linked Security based on one or more of such indexes is calculated and disseminated to provide an updated value: CBOE S&P 500 BuyWrite Index(sm), CBOE DJIA Buy Write Index(sm), CBOE Nasdaq-100 BuyWrite Index(sm). (iv) If the value of a Linked Security is based on more than one index, then the dissemination requirement of this paragraph 9 applies to the composite value of such indexes. (v) In the case of a Commodity-Linked Security that is periodically redeemable, the indicative value of the subject Commodity-Linked Security must be calculated and widely disseminated by one or

more major market data vendors on at least a 15-second basis during the Exchange's regular market session.

(10) Trading Halts. In the case of Commodity-Linked Securities, if the indicative value (if required to be disseminated) or the Reference Asset value is not being disseminated as required, or, in the case of Equity Index-Linked Securities, if the value of the index is not being disseminated as required, the Exchange may halt trading during the day on which such interruption occurs. The Exchange will halt trading no later than the beginning of trading following the trading day when the interruption commenced if such interruption persists at this time.

(11) Surveillance Procedures. FINRA will implement on behalf of the Exchange written surveillance procedures for Linked Securities. The Exchange will enter into adequate comprehensive surveillance sharing agreements for non-U.S. securities, as applicable.

(12) Linked Securities will be treated as equity instruments. Furthermore, for the purpose of fee determination, Linked Securities shall be deemed and treated as Other Securities.

(i) FINRA

The Exchange and FINRA are parties to the FINRA Regulatory Contract pursuant to which FINRA has agreed to perform certain functions described in this Rule on behalf of the Exchange. Functions performed by FINRA, FINRA departments, and FINRA staff under Equity 3A, Section 2 are being performed by FINRA on behalf of the Exchange. Notwithstanding the fact that the Exchange has entered into the Regulatory Contract with FINRA to perform some of the Exchange's functions, the Exchange shall retain ultimate legal responsibility for, and control of, such functions.

(j) Managed Fund Shares

(1) The Exchange will consider for trading, whether by listing or pursuant to unlisted trading privileges, Managed Fund Shares that meet the criteria of Equity 3A, Section 2(j).

(2) Applicability. Equity 3A, Section 2(j) is applicable only to Managed Fund Shares. Except to the extent inconsistent with Equity 3A, Section 2(j), or unless the context otherwise requires, the rules and procedures of the Board of Directors shall be applicable to the trading on the Exchange of such securities. Managed Fund Shares are included within the definition of "security" or "securities" as such terms are used in the Equity Rules.

(A) The Exchange will file separate proposals under Section 19(b) of the Act before the listing of Managed Fund Shares. Trading of Managed Fund Shares on an unlisted trading privileges basis shall be governed by Equity 3A, Section 3.

(B) Transactions in Managed Fund Shares will occur throughout the Exchange's trading hours.

(C) Minimum Price Variance. The minimum price variation for quoting and entry of orders in Managed Fund Shares is \$0.01.

(D) Surveillance Procedures. The Exchange will implement written surveillance procedures for Managed Fund Shares.

(E) Creation and Redemption. For Managed Fund Shares based on an international or global portfolio, the statutory prospectus or the application for exemption from provisions of the Investment Company Act of 1940 for the series of Managed Fund Shares must state that such series must comply with the federal securities laws in accepting securities for deposits and satisfying redemptions with redemption securities, including that the securities accepted for deposits and the securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933.

(3) Definitions. The following terms as used in the Rules shall, unless the context otherwise requires, have the meanings herein specified:

(A) Managed Fund Share. The term "Managed Fund Share" means a security that (a) represents an interest in a registered investment company ("Investment Company") organized as an open-end management investment company or similar entity, that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in a specified aggregate minimum number in return for a deposit of a specified portfolio of securities and/or a cash amount with a value equal to the next determined net asset value; and (c) when aggregated in the same specified minimum number, may be redeemed at a holder's request, which holder will be paid a specified portfolio of securities and/or cash with a value equal to the next determined net asset value.

(B) Disclosed Portfolio. The term "Disclosed Portfolio" means the identities and quantities of the securities and other assets held by the Investment Company that will form the basis for the Investment Company's calculation of net asset value at the end of the business day.

(C) Intraday Indicative Value. The term "Intraday Indicative Value" is the estimated indicative value of a Managed Fund Share based on current information regarding the value of the securities and other assets in the Disclosed Portfolio.

(D) Reporting Authority. The term "Reporting Authority" in respect of a particular series of Managed Fund Shares means the Exchange, an institution, or a reporting service designated by the Exchange or by the exchange that lists a particular series of Managed Fund Shares (if the Exchange is trading such series pursuant to unlisted trading privileges) as the official source for calculating and reporting information relating to such series, including, but not limited to, the Intraday Indicative Value; the Disclosed Portfolio; the amount of any cash distribution to holders of Managed

Fund Shares, net asset value, or other information relating to the issuance, redemption or trading of Managed Fund Shares. A series of Managed Fund Shares may have more than one Reporting Authority, each having different functions.

(4) Initial and Continued Listing — Managed Fund Shares will be listed and traded on the Exchange subject to application of the following criteria:

(A) Initial Listing — Each series of Managed Fund Shares will be listed and traded on the Exchange subject to application of the following initial listing criteria:

(i) For each series, the Exchange will establish a minimum number of Managed Fund Shares required to be outstanding at the time of commencement of trading on the Exchange.

(ii) Nasdaq will obtain a representation from the issuer of each series of Managed Fund Shares that the net asset value per share for the series will be calculated daily and that the net asset value and the Disclosed Portfolio will be made available to all market participants at the same time.

(B) Continued Listing — Each series of Managed Fund Shares will be listed and traded on the Exchange subject to application of the following continued listing criteria:

(i) Intraday Indicative Value. The Intraday Indicative Value for Managed Fund Shares will be widely disseminated by one or more major market data vendors at least every 15 seconds during the time when the Managed Fund Shares trade on the Exchange.

(ii) Disclosed Portfolio.

(a) The Disclosed Portfolio will be disseminated at least once daily and will be made available to all market participants at the same time.

(b) The Reporting Authority that provides the Disclosed Portfolio must implement and maintain, or be subject to, procedures designed to prevent the use and dissemination of material non-public information regarding the actual components of the portfolio.

(iii) Suspension of trading or removal. The Exchange will consider the suspension of trading in or removal from listing of a series of Managed Fund Shares under any of the following circumstances:

(a) if, following the initial twelve-month period after commencement of trading on the Exchange of a series of Managed Fund Shares, there are fewer than 50 beneficial holders of the series of Managed Fund Shares for 30 or more consecutive trading days;

(b) if the value of the Intraday Indicative Value is no longer calculated or available or the Disclosed Portfolio is not made available to all market participants at the same time;

(c) if the Investment Company issuing the Managed Fund Shares has failed to file any filings required by the Commission or if the Exchange is aware that the Investment Company is not in compliance with the conditions of any exemptive order or no-action relief granted by the Commission to the Investment Company with respect to the series of Managed Fund Shares; or

(d) if such other event shall occur or condition exists which, in the opinion of the Exchange, makes further dealings on Nasdaq inadvisable.

(iv) Trading Halt. If the Intraday Indicative Value of a series of Managed Fund Shares is not being disseminated as required, the Exchange may halt trading during the day in which the interruption to the dissemination of the Intraday Indicative Value occurs. If the interruption to the dissemination of the Intraday Indicative Value persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. If a series of Managed Fund Shares is trading on the Exchange pursuant to unlisted trading privileges, the Exchange will halt trading in that series as specified in Rules 4120 and 4121. In addition, if the Exchange becomes aware that the net asset value or the Disclosed Portfolio with respect to a series of Managed Fund Shares is not disseminated to all market participants at the same time, it will halt trading in such series until such time as the net asset value or the Disclosed Portfolio is available to all market participants.

(v) Termination. Upon termination of an Investment Company, the Exchange requires that Managed Fund Shares issued in connection with such entity be removed from listing on the Exchange.

(vi) Voting. Voting rights shall be as set forth in the applicable Investment Company prospectus.

(5) Limitation of Liability. Neither the Exchange, the Reporting Authority, nor any agent of the Exchange shall have any liability for damages, claims, losses or expenses caused by any errors, omissions, or delays in calculating or disseminating any current portfolio value; the current value of the portfolio of securities required to be deposited to the open-end management investment company in connection with issuance of Managed Fund Shares; the amount of any dividend equivalent payment or cash distribution to holders of Managed Fund Shares; net asset value; or other information relating to the purchase, redemption, or trading of Managed Fund Shares, resulting from any negligent act or omission by the Exchange, the Reporting Authority or any agent of the Exchange, or any act, condition, or cause beyond the reasonable control of the Exchange, its agent, or the Reporting

Authority, including, but not limited to, an act of God; fire; flood; extraordinary weather conditions; war; insurrection; riot; strike; accident; action of government; communications or power failure; equipment or software malfunction; or any error, omission, or delay in the reports of transactions in one or more underlying securities.

(6) Disclosures. The provisions of this subparagraph apply only to series of Managed Fund Shares that are the subject of an order by the Securities and Exchange Commission exempting such series from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and are not otherwise subject to prospectus delivery requirements under the Securities Act of 1933. The Exchange will inform its members regarding application of these provisions of this subparagraph to a particular series of Managed Fund Shares by means of an information circular prior to commencement of trading in such series.

The Exchange requires that members provide to all purchasers of a series of Managed Fund Shares a written description of the terms and characteristics of those securities, in a form prepared by the open-end management investment company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, members shall include such a written description with any sales material relating to a series of Managed Fund Shares that is provided to customers or the public. Any other written materials provided by a member to customers or the public making specific reference to a series of Managed Fund Shares as an investment vehicle must include a statement in substantially the following form: "A circular describing the terms and characteristics of (the series of Managed Fund Shares) has been prepared by the (open-end management investment company name) and is available from your broker. It is recommended that you obtain and review such circular before purchasing (the series of Managed Fund Shares)"

A member carrying an omnibus account for a non-member broker-dealer is required to inform such non-member that execution of an order to purchase a series of Managed Fund Shares for such omnibus account will be deemed to constitute agreement by the non-member to make such written description available to its customers on the same terms as are directly applicable to members under this rule.

Upon request of a customer, a member shall also provide a prospectus for the particular series of Managed Fund Shares.

(7) If the investment adviser to the Investment Company issuing Managed Fund Shares is affiliated with a broker-dealer, such investment adviser shall erect a "fire wall" between the investment adviser and the broker-dealer with respect to access to information concerning the composition and/or changes to such Investment Company portfolio. Personnel who make decisions on the Investment Company's portfolio composition must be subject to procedures designed to prevent the use and dissemination of material nonpublic information regarding the applicable Investment Company portfolio.

1 The two percent limit, based on 20 percent of the worldwide trading volume in the non-U.S. security or sponsored ADR, applies only if there is a comprehensive surveillance sharing agreement in place with the primary exchange in the country where the security is primarily traded (in the case of an ADR, the primary exchange on which the security underlying the ADR is traded). If there is no such agreement, subparagraph (3) above requires that the combined trading volume of such security and other related securities occurring in the U.S. market represents (on a share equivalent basis for any ADRs) at least 50% of the combined world-wide trading volume in such security, other related securities, and other classes of common stock related to such security over the six month period preceding the date of listing.

Section 3. Derivative Securities Traded under Unlisted Trading Privileges

(a) Any security that is a "new derivative securities product" as defined in Rule 19b-4(e) under the Exchange Act (a "UTP Derivative Security") and traded under unlisted trading privileges pursuant to Rule 19b-4(e) under the Act shall be subject to the additional following rules:

(1) Information Circular. The Exchange shall distribute an information circular prior to the commencement of trading in each such UTP Derivative Security that generally includes the same information as contained in the information circular provided by the listing exchange, including: (a) the special risks of trading the new derivative securities product; (b) the Rules of the Exchange that will apply to the new derivative securities product, including General 9, Section 10; (c) information about the dissemination of the value of the underlying assets or indexes; and (d) the applicable trading hours for the UTP Derivative Security and the risks of trading during the period from 7:00 a.m. to 9:30 a.m. and from 4:00 p.m. to 7:00 p.m. due to the lack of calculation or dissemination of the underlying index value, the Intra-Day Indicative Value (as defined in Equity 3A, Section 2), or a similar value.

(2) Product Description.

Members are subject to the prospectus delivery requirements under the Securities Act of 1933, unless the UTP Derivative Security is the subject of an order by the Commission exempting the product from certain prospectus delivery requirements under Section 24(d) of the Investment Company Act of 1940 and the product is not otherwise subject to prospectus delivery requirements under the Securities Act of 1933.

The Exchange shall inform Members of the application of the provisions of this subparagraph to UTP Derivative Securities by means of an information circular. The Exchange requires that Members provide all purchasers of UTP Derivative Securities a written description of the terms and characteristics of those securities, in a form approved by the Exchange or prepared by the open-ended management company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, Members shall include a written description with any sales material relating to UTP Derivative Securities that is provided to customers or the public. Any other written materials provided by a Member to customers or the public

making specific reference to the UTP Derivative Securities as an investment vehicle must include a statement substantially in the following form:

"A circular describing the terms and characteristics of [the UTP Derivative Securities] has been prepared by the [open-ended management investment company name] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [the UTP Derivative Securities]."

A Member carrying an omnibus account for a non-Member is required to inform such non-Member that execution of an order to purchase UTP Derivative Securities for such omnibus account will be deemed to constitute an agreement by the non-Member to make such written description available to its customers on the same terms as are directly applicable to the Member under this Rule.

Upon request of a customer, a Member shall also provide a prospectus for the particular UTP Derivative Securities.

(3) Trading Halts. Trading halts of UTP Derivative Securities shall be governed by Equity Rule 4120.

(4) Limitations on Market Makers. Market makers in a UTP Derivative Security that is a Commodity-Related Security (as defined in Equity 10, Section 8) shall comply with Equity 10, Section 8.

(5) Surveillance. The Exchange shall enter into a comprehensive surveillance sharing agreement with markets trading components of the index or portfolio on which the UTP Derivative Security is based to the same extent as the listing exchange's rules require the listing exchange to enter into a comprehensive surveillance sharing agreement with such markets.

Section 4. Additional Quantitative Maintenance Criteria

After listing on the Exchange, certain securities must substantially meet the criteria set forth in the paragraphs below to continue to remain listed on the Exchange.

(a) Other Securities Listed Pursuant to Equity 3A, Section 2(c) and Linked Securities

(1) The aggregate market value or principal amount of publicly-held units (except Linked Securities that were listed pursuant to Equity 3A, Section 2(h)) must be at least \$1 million.

(2) Delisting or removal proceedings will be commenced (unless the Commission has approved the continued trading) with respect to any Equity Index-Linked Security that was listed pursuant to paragraph (7)(B) of Equity 3A, Section 2(h) if any of the standards set forth in paragraph (7)(B) of such rule are not continuously maintained, except that:

(i) the criteria that no single component represent more than 25% of the weight of the index and the five highest weighted components in the index may not represent more than 50% (or 60% for indexes with less than 25 components) of the weight of the Index, need only be satisfied for capitalization weighted and price weighted indexes as of the first day of January and July in each year;

(ii) the total number of components in the index may not increase or decrease by more than 33-1/3% from the number of components in the index at the time of its initial listing, and in no event may be less than ten (10) components;

(iii) the trading volume of each component security in the index must be at least 500,000 shares for each of the last six months, except that for each of the lowest weighted components in the index that in the aggregate account for no more than 10% of the weight of the index, trading volume must be at least 400,000 shares for each of the last six months; and

(iv) in a capitalization-weighted or modified capitalization-weighted index, the lesser of the five highest weighted component securities in the index or the highest weighted component securities in the index that in the aggregate represent at least 30% of the total number of stocks in the index have had an average monthly trading volume of at least 1,000,000 shares over the previous six months.

(3) With respect to an Equity Index-Linked Security that was listed pursuant to paragraph (7)(A) of Equity 3A, Section 2(h), delisting or removal proceedings will be commenced (unless the Commission has approved the continued trading of the subject security) if an underlying index or indexes fails to satisfy the maintenance standards or conditions for such index or indexes as set forth by the Commission in its order under Section 19(b)(2) of the 1934 Act approving the index or indexes for the trading of options or other derivatives.

(4) With respect to a Commodity-Linked Security that was listed pursuant to Equity 3A, Section 2(h), delisting or removal proceedings will be commenced (unless the Commission has approved the continued trading of the subject security) if any of the listing requirements set forth in Equity 3A, Section 2(h) that were applicable at the time of the initial listing of the security are no longer being met. Notwithstanding the foregoing, a security will not be delisted due to lack of comprehensive surveillance sharing agreements if the Reference Asset has at least 10 components and the Exchange has comprehensive surveillance sharing agreements with respect to at least 90% of the dollar weight of the Reference Asset for which such agreements are otherwise required.

(5) Delisting or removal proceedings will also be commenced with respect to any Linked Security listed pursuant to Equity 3A, Section 2(h) (unless the Commission has approved the continued trading of the subject security), under any of the following circumstances:

(i) if the aggregate market value or the principal amount of the Linked Security issue publicly held is less than \$400,000;

(ii) if the value of the index, composite value of the indexes or the value of the Reference Asset (as applicable) is no longer calculated or widely disseminated as required by Equity 3A, Section 2(h)(9);

(iii) with respect to a Commodity-Linked Security, if the value of the Reference Asset is no longer calculated or available and a new Reference Asset is substituted, unless the new Reference Asset meets the requirements of this Rule and Equity 3A, Section 2(h); or

(iv) if such other event shall occur or condition exists which in the opinion of the Exchange makes further dealings on the Exchange inadvisable.

(b) Rights and Warrants

The common stock of the issuer must continue to be listed on the Exchange.

(c) Bankruptcy and/or Liquidation

Should an issuer file under any of the sections of the Bankruptcy Act or announce that liquidation has been authorized by its board of directors and that it is committed to proceed, the Exchange may suspend or terminate the issuer's securities unless it is determined that the public interest and the protection of investors would be served by continued listing.]

EQUITY 4 EQUITY TRADING RULES

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4120. Limit Up-Limit Down Plan and Trading Halts

(a) Definitions

(1) “Derivative Securities Product” means a series of Exchange Traded Fund Shares, Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, NextShares, Trust Issued Receipts, or Proxy Portfolio Shares (as defined in Rules 5704, 5705, 5735, 5745, 5720, and 5750 respectively), a series of Commodity-Related Securities (as defined in Equity 10, Section 8), securities representing interests in unit investment trusts or investment companies, Index- Linked Exchangeable Notes, Equity Gold Shares, Trust Certificates, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units, Managed Trust Securities, or Currency Warrants (as defined in Rule 5711(a) - (k)), Class ETF Shares (as defined in Rule 5703), or any other UTP Derivative Security (as defined in Rule 5740)[Portfolio Depository Receipts, Index Fund Shares, Managed Fund Shares, or Trust Issued Receipts (as defined in Equity 3A, Section 2), a series of Commodity-Related Securities (as defined in Equity 10, Section 8), securities representing interests in unit investment trusts or investment companies, or any other UTP Derivative Security (as defined in Equity 3A, Section 3)].

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(b) Regulatory Halts

(1) Authority to Implement a Regulatory Halt

(A) No change.

(i) – (iv) No change.

(v) The Exchange may declare a Regulatory Halt in an index warrant on the Exchange whenever Exchange Regulation shall conclude that such action is appropriate in the interests of a fair and orderly market and to protect investors. Among the factors that may be considered are the following:

(a) trading has been halted or suspended in underlying stocks whose weighted value represents 20 or more of the index value;

(b) the current calculation of the index derived from the current market prices of the stocks is not available;

(c) other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market are present.

(vi) The Exchange may declare a Regulatory Halt in a series of Portfolio Depository Receipts, Index Fund Shares (as defined in Rule 5705), Index-Linked Exchangeable Notes, Equity Gold Shares, Trust Certificates, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, and Managed Trust Securities (as defined in Rule 5711(a) - (h) and (j), respectively), or NextShares (as defined in Rule 5745) listed on the Exchange if the Intraday Indicative Value (as defined in Rule 5705), for Portfolio Depository Receipts or Index Fund Shares, for derivative securities as defined in Rule 5711(a), (b), and (d) - (h), Rule 5711(j) for Managed Trust Securities, or Rule 5745 for NextShares) or the index value applicable to that series is not being disseminated as required, during the day in which the interruption to the dissemination of the Intraday Indicative Value or the index value occurs. If the interruption to the dissemination of the Intraday Indicative Value or the index value persists past the trading day in which it occurred, the Exchange will halt trading no later than the beginning of the trading day following the interruption. The Exchange may also exercise discretion to halt trading in a series of Portfolio Depository Receipts, Index Fund Shares, Class ETF Shares (as defined in Rule 5703), Exchange Traded Fund Shares (as defined in Rule 5704), Managed Fund Shares, Index-Linked Exchangeable Notes, Equity Gold Shares, Trust Certificates, Commodity-Based Trust Shares, Currency Trust Shares, Commodity Index Trust Shares, Commodity Futures Trust Shares, Partnership Units, Trust Units (as defined in Rule 5711(i)), Managed Trust Securities, Currency Warrants (as defined in Rule 5711(k)), NextShares, or Proxy Portfolio Shares (as defined in Rule 5750) based on a consideration of the following

factors: (A) trading in underlying securities comprising the index or portfolio applicable to that series has been halted in the primary market(s), (B) the extent to which trading has ceased in securities underlying the index or portfolio, or (C) the presence of other unusual conditions or circumstances detrimental to the maintenance of a fair and orderly market.

(vii) The Exchange shall declare a Regulatory Halt in Derivative Securities Products (as defined in Rule 4120(a)(1)) for which a net asset value ("NAV") (and in the case of Managed Fund Shares under Rule 5735, a Disclosed Portfolio, in the case of NextShares under Rule 5745, a Composition File, and in the case of Proxy Portfolio Shares, a Proxy Basket, or the Fund Portfolio) is disseminated if the Exchange becomes aware that the NAV (or in the case of Managed Fund Shares, the Disclosed Portfolio, in the case of NextShares, the Composition File, or in the case of Proxy Portfolio Shares, the Proxy Basket, or the Fund Portfolio) is not being disseminated to all market participants at the same time.

The Exchange will maintain the trading halt until such time as the Exchange becomes aware that the NAV (or in the case of Managed Fund Shares, the Disclosed Portfolio, or in the case of NextShares, the Composition File, or in the case of Proxy Portfolio Shares, the Proxy Basket, or the Fund Portfolio as applicable) is available to all market participants or, in the case of Derivative Securities Products traded on the Exchange pursuant to unlisted trading privileges, until such time trading resumes in the listing market.

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