

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: Thursday, June 28, 2018 at 2:00 p.m.

CHANGES IN THE MEETING: The following item will not be considered during the Closed Meeting on Thursday, June 28, 2018:

- Report on an investigation.

CONTACT PERSON FOR MORE INFORMATION: For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551-5400.

Dated: June 28, 2018.

Brent J. Fields,
Secretary.

[FR Doc. 2018-14281 Filed 6-28-18; 4:15 pm]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83522; File No. SR-NASDAQ-2018-047]

Self-Regulatory Organizations; The Nasdaq Stock Market LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Adopt a New Transaction Fee for Execution of Midpoint Extended Life Orders

June 26, 2018.

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 June 12, 2018, The Nasdaq Stock Market LLC ("Nasdaq" 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 the Exchange's transaction fees at Rule 7018 to adopt a new transaction fee for execution of Midpoint Extended Life Orders.

While these amendments are effective upon filing, as discussed below, the Exchange will begin assessing the proposed fees on July 2, 2018.³

The text of the proposed rule change is available on the Exchange's website at <http://nasdaq.cchwallstreet.com/>, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

The purpose of the proposed rule change is to amend the Exchange's transaction fees at Rule 7018(a)(1)-(3) to charge no fee for execution of Midpoint Extended Life Orders in the month of July 2018 if the member executes at least 250,000 shares in Midpoint Extended Life Orders in June 2018, and adopt a fee of \$0.0006 per share executed for execution of all other Midpoint Extended Life Orders in securities with a price of \$1 or more. Transactions in Midpoint Extended Life Orders in securities with a price less than \$1 will remain at no cost.

On March 7, 2018, the Commission approved the Exchange's proposal to adopt a new Order Type, the Midpoint Extended Life Order.⁴ The Midpoint Extended Life Order is an Order Type with a Non-Display Order Attribute that is priced at the midpoint between the NBBO and that will not be eligible to execute until the Holding Period of one half of a second has passed after acceptance of the Order by the System. Once a Midpoint Extended Life Order becomes eligible to execute by existing unchanged for the Holding Period, the Order may only execute against other eligible Midpoint Extended Life Orders. The Exchange has not assessed a charge for Midpoint Extended Life Orders

executions since the Exchange began to offer them on March 12, 2018.⁵

Under Rule 7018, the Exchange is proposing to assess fees for certain Midpoint Extended Life Orders beginning July 2, 2018, while continuing to provide a no fee tier for the month of July 2018 if a member meets qualification criteria based on its activity in Midpoint Extended Life Orders in June 2018. Specifically, the Exchange is proposing to assess no charge for execution of Midpoint Extended Life Orders in the month of July 2018 if the member executes at least at least [sic] 250,000 shares in Midpoint Extended Life Orders in the immediately preceding month. Thus, the new fee will be applied beginning July 2, 2018 based on the number of Midpoint Extended Life Orders executed by the member in the month of June 2018. The Exchange is also adopting a new fee of \$0.0006 per share executed assessed for execution of Midpoint Extended Life Orders in securities priced at \$1 or more applicable to members that do not qualify under the no cost tier described immediately above. After July 2018, the Exchange will assess a charge of \$0.0006 per share executed assessed [sic] for execution of any Midpoint Extended Life Order in a security priced \$1 or greater. The proposed fees cover Orders in securities of any of the three tapes.

The Exchange believes that the market in Midpoint Extended Life Orders has matured to the point that it can support the proposed \$0.0006 per share executed fee; however, the Exchange also believes that promoting liquidity in Midpoint Extended Life Orders continues to be warranted. Thus, the Exchange is proposing to not assess a fee for executions of Midpoint Extended Life Orders in the month of July 2018 if members have at least 250,000 shares executed in Midpoint Extended Life Orders in June 2018. Allowing transactions to occur at no cost if a member provides a certain level of Midpoint Extended Life Order liquidity will promote use of the Midpoint Extended Life Order, which will in turn help bring continued overall liquidity in Midpoint Extended Life Orders in securities priced \$1 or more to the Exchange in June 2018, since members may increase their activity in Midpoint Extended Life Orders, and members that have not yet used Midpoint Extended Life Orders may begin trading in them to benefit from the zero fee tier. To the extent that members are provided

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ The Exchange initially filed the proposed pricing changes on June 1, 2018 (SR-NASDAQ-2018-043). On July [sic] 12, 2018, the Exchange withdrew that filing and submitted this filing. This filing makes technical corrections, provides further

discussion of the proposed change, and clarifies the statutory basis and burden on competition discussions.

⁴ See Securities Exchange Act Release No. 82825 (March 7, 2018), 83 FR 10937 (March 13, 2018) (SR-NASDAQ-2017-074).

⁵ See Securities Exchange Act Release No. 82905 (March 20, 2018), 83 FR 12988 (March 26, 2018) (SR-NASDAQ-2018-021).

incentive to trade in Midpoint Extended Life Orders to meet the zero fee tier qualification requirement, the benefit to liquidity should continue to through July 2018 as members that qualified for the zero fee tier take advantage of the zero fee trading for the month. Fees for all Midpoint Extended Life Orders in June 2018 will remain at no cost. In addition, the Exchange is not proposing to adopt a new fee for execution of Midpoint Extended Life Orders in securities below \$1 (Rule 7018(b)) whatsoever, which will continue to be allowed at no cost.

Accordingly, the Exchange is proposing to amend Rule 7018(a)(1)–(3) to note: (1) That members executing a Midpoint Extended Life Order will be assessed a charge of \$0.0000 per share executed in the month of July 2018 if the member executes at least 250,000 shares in Midpoint Extended Life Orders in June 2018; and (2) that all other members will be assessed a fee of \$0.0006 per share executed, for executions of Midpoint Extended Life Orders in securities priced \$1 or more.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act,⁶ in general, and furthers the objectives of Sections 6(b)(4) and 6(b)(5) of the Act,⁷ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Commission and the courts have repeatedly expressed their preference for competition over regulatory intervention in determining prices, products, and services in the securities markets. In Regulation NMS, while adopting a series of steps to improve the current market model, the Commission highlighted the importance of market forces in determining prices and SRO revenues and, also, recognized that current regulation of the market system “has been remarkably successful in promoting market competition in its broader forms that are most important to investors and listed companies.”⁸

Likewise, in *NetCoalition v. Securities and Exchange Commission*⁹ (“NetCoalition”) the D.C. Circuit upheld the Commission’s use of a market-based

approach in evaluating the fairness of market data fees against a challenge claiming that Congress mandated a cost-based approach.¹⁰ As the court emphasized, the Commission “intended in Regulation NMS that ‘market forces, rather than regulatory requirements’ play a role in determining the market data . . . to be made available to investors and at what cost.”¹¹

Further, “[n]o one disputes that competition for order flow is ‘fierce.’ . . . As the SEC explained, ‘[i]n the U.S. national market system, buyers and sellers of securities, and the broker-dealers that act as their order-routing agents, have a wide range of choices of where to route orders for execution’; [and] ‘no exchange can afford to take its market share percentages for granted’ because ‘no exchange possesses a monopoly, regulatory or otherwise, in the execution of order flow from broker dealers’”¹²

The proposed \$0.0006 per share executed fee is reasonable because the Exchange has considered the nature of the market in Midpoint Extended Life Orders, the need to assess a fee to help cover the costs of supporting trading on Nasdaq, and the Exchange’s desire to continue to promote use of Midpoint Extended Life Orders on the Exchange. Taking these factors into consideration, the Exchange has determined that \$0.0006 per share executed is appropriate. The Exchange currently assess [sic] a fee of \$0.0007 per share executed for certain TFTY Orders.¹³ The Exchange also assesses \$0.0007 per share executed for QCST and QDRK orders, except for QCST orders that execute on Nasdaq BX for which there is no charge or credit.¹⁴ Thus, the lower fee is similar to existing fees for Orders executed on the Exchange and may promote use of Midpoint Extended Life Orders and consequently the quality of the market in Midpoint Extended Life Orders. The Exchange also notes that a competitor exchange assesses a fee of \$0.0009 per share executed for both adding and removing all non-displayed liquidity in securities priced \$1 or more.¹⁵

As discussed extensively in its proposal,¹⁶ the Exchange believes that

the Midpoint Extended Life Order is consistent with the Act because it is emblematic of a core function of a national securities exchange, namely matching buyers and sellers of securities on a transparent and well-regulated market, and helping these buyers and sellers come together to receive the best execution possible. The Exchange achieves this by permitting Midpoint Extended Life Orders to execute solely against other Midpoint Extended Life Orders at the midpoint of the NBBO in return for providing market-improving behavior in the form of a longer-lived midpoint order. Thus, the Exchange believes that it is important for participants using Midpoint Extended Life Orders to have a deep and liquid market. Applying a lower fee than the \$0.0030 per share executed that the Exchange assesses for removing resting midpoint liquidity should provide incentive to market participants to use Midpoint Extended Life Orders while also allowing the Exchange to recoup some of the costs it incurs in offering the Order.

The Exchange also believes that allowing transactions of Midpoint Extended Life Orders at no cost in July 2018 is reasonable because it currently offers them at no cost. In addition, the Exchange does not charge a fee for transactions in Orders with a RTFY routing Order Attribute.¹⁷ Such an Order must meet the definition of Designated Retail Order, which requires, among other things, that the Order not originate from a trading algorithm or any other computerized methodology.¹⁸ Thus, allowing transactions of the RTFY Order Attribute at no cost is designed to promote the Exchange as a venue for retail investor Orders. Likewise, the Exchange is proposing to allow transactions in Midpoint Extended Life Orders at no cost in July 2018 to promote use of such Orders and consequently the quality of the market in Midpoint Extended Life Orders.

The Exchange believes that the proposed fees are an equitable allocation and are not unfairly discriminatory because the Exchange

¹⁷ RTFY is a routing option available for an order that qualifies as a Designated Retail Order under which orders check the System for available shares only if so instructed by the entering firm and are thereafter routed to destinations on the System routing table. If shares remain unexecuted after routing, they are posted to the book. Once on the book, should the order subsequently be locked or crossed by another market center, the System will not route the order to the locking or crossing market center. RTFY is designed to allow orders to participate in the opening, reopening and closing process of the primary listing market for a security. See Rule 4758(a)(1)(A)(v)b.

¹⁸ See Rule 7018.

¹⁰ See *NetCoalition*, at 534–535.

¹¹ *Id.* at 537.

¹² *Id.* at 539 (quoting Securities Exchange Act Release No. 59039 (December 2, 2008), 73 FR 74770, 74782–83 (December 9, 2008) (SR–NYSEArca–2006–21)).

¹³ See Rule 7018(a)(1)–(3).

¹⁴ *Id.*

¹⁵ See Investors Exchange Fee Schedule, available at: <https://iextrading.com/trading/fees/>.

¹⁶ See Securities Exchange Act Release No. 81311 (August 3, 2017), 82 FR 37248 (August 9, 2017) (SR–NASDAQ–2017–074).

⁶ 15 U.S.C. 78f(b).

⁷ 15 U.S.C. 78f(b)(4) and (5).

⁸ Securities Exchange Act Release No. 51808 (June 9, 2005), 70 FR 37496, 37499 (June 29, 2005) (“Regulation NMS Adopting Release”).

⁹ *NetCoalition v. SEC*, 615 F.3d 525 (D.C. Cir. 2010).

will apply the same fee to all similarly situated members. The Midpoint Extended Life Order may be used by any market participant that is willing to satisfy the requirements of the Order Type and meet the volume requirement therefore qualify for the proposed zero fee tiers. Moreover, members not interested in using Midpoint Extended Life Orders will continue to have the ability to enter midpoint Orders in the Nasdaq System, which have both fees and credits associated with their execution.¹⁹ The Exchange is assessing fees for transactions in Midpoint Extended Life Orders beginning July 2, 2018 and providing a limited time during which transactions in Midpoint Extended Life Orders may [sic] done at no cost. The proposed \$0.0006 per share executed fee is lower than most other fees assessed for executions, which is reflective of the beneficial nature of the type of Order. Any member may take advantage of the lower fee by using the Order Type. Similarly, members will receive no charge in the month of July 2018 if it meets the 250,000 share execution requirement of the tier. The Exchange believes that 250,000 shares executed is a modest level that is attainable by any member that chooses to enter Midpoint Extended Life Orders.

The Exchange believes that the zero fee tier for July 2018, which is based on the number of shares in Midpoint Extended Life Order executed in June 2018, is an equitable allocation and is not unfairly discriminatory because the Exchange has provided adequate notice of the changes to all members so that they may adjust their trading behavior, and any member may transact in Midpoint Extended Life Orders. Thus, all members may execute 250,000 shares or more in Midpoint Extended Life Orders in June 2018 to qualify for the zero cost tier in July 2018. The Exchange also applies qualification criteria for rebates under Rule 7014 that are based on the prior month's activity. Specifically, the DLP program under Rule 7014(f) provides three rebates that have qualification criteria based on the level of ADV it had in the prior month.²⁰

Last, the Exchange is not assessing a charge for executions in Midpoint Extended Life Orders in securities priced below \$1 because there are very few executions in such Orders relative to transactions in Midpoint Extended Life Orders in securities priced at \$1 or greater. Allowing such transactions at no cost will help promote a deeper

market in Midpoint Extended Life Orders in securities priced below \$1. Thus, the Exchange believes that the no cost tier in Midpoint Extended Life Orders in securities priced below \$1 remains an equitable allocation and is not unfairly discriminatory.

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. In terms of inter-market competition, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited.

In this instance, the proposal to assess no fee for certain executions of Midpoint Extended Life Orders and a modest fee of \$0.0006 per share executed will not place any burden on competition, but rather will help ensure continued growth in the use of Midpoint Extended Life Orders by making such Orders attractive to members that seek to execute at the midpoint with like-minded members, while also allowing the Exchange to recoup some of the costs associated with offering the Order Type. The proposal also reduces burdens on members associated with the Exchange applying fees to an Order Type for which fees have not been assessed. The new fee tiers will help members transition to fee liable transactions by providing an opportunity to avoid paying a fee for a transaction in Midpoint Extended Life Orders in July 2018 if they choose to provide 250,000 or more shares executed in Midpoint Extended Life Orders for the month of June 2018. To the extent the proposal is not successful in promoting liquidity in Midpoint Extended Life Orders, it would have no meaningful impact on competition as few transactions in Midpoint Extended

Life Orders would occur. In sum, if the proposal to assess the new fee tiers for executions of Midpoint Extended Life Orders is unattractive to market participants, it is likely that the Exchange will not gain any market share and may lose market share.

Accordingly, the Exchange does not believe that the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) of the Act.²¹

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: (i) Necessary or appropriate in the public interest; (ii) for the protection of investors; or (iii) otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or 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 (<http://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File Number SR-NASDAQ-2018-047 on the subject line.

Paper Comments

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

All submissions should refer to File Number SR-NASDAQ-2018-047. This file number should be included on the subject line if email is used. To help the

¹⁹ Based on whether the member is removing or adding liquidity. See Rule 7018(a).

²⁰ See Rule 7014(f)(5)(A).

²¹ 15 U.S.C. 78s(b)(3)(A)(ii).

Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-NASDAQ-2018-047, and should be submitted on or before July 23, 2018.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.²²

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2018-14109 Filed 6-29-18; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-83521; File No. SR-CboeEDGA-2018-011]

Self-Regulatory Organizations; Cboe EDGA Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rule 11.6, Definitions and Rule 11.8, Order Types

June 26, 2018

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 June 13, 2018, Cboe EDGA Exchange, Inc. (the "Exchange" or "EDGA") filed with the Securities and Exchange Commission

("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange has designated this proposal as a "non-controversial" proposed rule change pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(f)(6) thereunder,⁴ which renders it effective upon filing with the Commission. 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 filed a proposal to (i) amend paragraph (n) of Exchange Rule 11.6, Routing/Posting Instructions to add a new optional order instruction to be known as Non-Displayed Swap; and (ii) make a related change to description of Limit Orders and MidPoint Peg Orders under Exchange Rule 11.8. The proposed amendments are identical to the rules of Cboe EDGX Exchange, Inc. ("EDGX")⁵ and substantially similar to the rules of the Nasdaq Stock Market LLC ("Nasdaq")⁶ and NYSE Arca, Inc. ("Arca").⁷

The text of the proposed rule change is available at the Exchange's website at www.markets.cboe.com, at the Exchange's principal office and at the Public Reference Room of the Commission.

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 parts of such statements.

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

1. Purpose

The Exchange proposes to: (i) Amend paragraph (n) of Exchange Rule 11.6, Routing/Posting Instructions to add a new optional order instruction to be known as Non-Displayed Swap; and (ii) make a related change to description of Limit Orders and MidPoint Peg Orders under Exchange Rule 11.8. These proposed amendments are identical to the rules of EDGX⁸ and substantially similar to the rules of Nasdaq and Arca.⁹

The proposed Non-Displayed Swap ("NDS") instruction would provide orders with a Non-Displayed¹⁰ instruction resting on the EDGA Book¹¹ with a greater ability to receive an execution when that resting order is locked by an incoming order (e.g., the price of the resting non-displayed order is equal to the price of the incoming order that is to be placed on the EDGA Book). The NDS instruction would be an optional order instruction that would allow Users¹² to have their resting non-displayed orders execute against an incoming order with a Post Only instruction rather than have it be locked by the incoming order. NDS would be defined as an instruction that may be attached to an order with a Non-Displayed instruction that when such order is resting on the EDGA Book and would be locked by an incoming order with a Post Only instruction that does not remove liquidity pursuant to paragraph (4) of Exchange Rule 11.6(n),¹³ the order with a NDS

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6).

⁵ See EDGX Rules 11.6(n)(7), 11.8(b)(7) and 11.8(d)(5); see also Securities Exchange Act Release No. 80841 (June 1, 2017), 82 FR 26559 (June 7, 2017), (Notice of Filing and Immediate Effectiveness To Add a New Optional Order Instruction Known as Non-Displayed Swap).

⁶ See Nasdaq Rule 4703(m) (defining the Trade Now order modifier); see also Securities Exchange Act Release No. 79282 (November 10, 2016), 81 FR 81219 (November 17, 2016) (Notice of Filing and Immediate Effectiveness of Proposed Rule change to Amend Rule 4702 and Rule 4703 to Add a "Trade Now" Instruction to Certain Order Types).

⁷ See Arca Rule 7.31-E(d)(2)(B) (describing the Non-Display Remove Modifier); see also Securities Exchange Act Release No. 76267 (October 26, 2015), 80 FR 66951 (October 30, 2015) (Order Approving Proposed Rule change Adopting New Equity Trading Rules Relating to Orders and Modifiers and Retail Liquidity Program To Reflect the Implementation of Pillar, the Exchange's New Trading Technology Platform).

⁸ See *supra* note 5.

⁹ See *supra* notes 6 and 7.

¹⁰ See Exchange Rule 11.6(e)(2).

¹¹ See Exchange Rule 1.5(d).

¹² See Exchange Rule 1.5(ee).

¹³ Under Exchange Rule 11.6(n)(4), an order with a Post Only instruction will remove contra-side liquidity from the EDGA Book if the order is an order to buy or sell a security priced below \$1.00 or if the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the EDGA Book and subsequently provided liquidity, including the applicable fees charged or rebates provided. To determine at the time of a potential execution whether the value of such execution when removing liquidity equals or exceeds the value of such execution if the order instead posted to the EDGA Book and subsequently provided liquidity, the Exchange will use the highest possible

Continued

²² 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.